
**Grant Thornton Anjum
Rahman**1st & 3rd Floor,
Modern Motors House,
Beaumont Road,
Karachi, Pakistan.**T +92 21 35672951-56****INDEPENDENT AUDITOR'S REPORT****To the members of Swiss Business Council
Report on the Audit of the Financial Statements****Opinion**

We have audited the annexed financial statements of **Swiss Business Council** (the Company), which comprise the statement of financial position as at **June 30, 2022**, and the statement of income & expenditure, the statement of other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of income & expenditure, the statement of other comprehensive income, the statement of changes in equity 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 income, other comprehensive income, the changes in equity 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.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of income & expenditure, the statement of other comprehensive income, the statement of changes in equity 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

The engagement partner on the audit resulting in this independent auditor's report is **Muhammad Shaukat Naseeb**.


Grant Thornton Anjum Rahman
Chartered Accountants

Karachi

Date: October 3, 2022

UDIN: AR202210126yUOVz4psZ

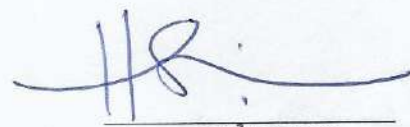
SWISS BUSINESS COUNCIL (A Company incorporated under section 42 of the Companies Act, 2017)
STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2022

	2022	2021
	----- Rupees -----	
Surplus for the year	3,103,617	2,693,552
Other comprehensive income	-	-
Total comprehensive income for the year	<u>3,103,617</u>	<u>2,693,552</u>

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



PRESIDENT



DIRECTOR

SWISS BUSINESS COUNCIL (A Company incorporated under section 42 of the Companies Act, 2017)
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2022

	Note	2022 Rupees	2021 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Surplus for the year		3,103,617	2,693,552
Adjustments for non-cash and other items			
Depreciation on property and equipment	4.1	61,250	-
Depreciation on ROUA	7	504,006	504,006
Amortization on intangible asset	5	6,590	6,590
Innterest expense on lease liability	11	233,906	259,809
Unwinding of security deposit	6	(3,038)	(225,869)
Remeasurement of lease liability	11	(654,844)	(551,994)
Profit on term deposit receipts	16	(510,880)	-
		<u>2,740,607</u>	<u>2,686,094</u>
Surplus before working capital changes			
Decrease / (increase) in current assets			
Prepayments		(2,374)	(10,227)
Trade debts		-	14,900
		<u>(2,374)</u>	<u>4,673</u>
Increase / (decrease) in current liabilities			
Advance fee		88,606	(22,137)
Accrued and other liabilities		13,114	-
		<u>101,720</u>	<u>(22,137)</u>
Cash generated from operations		<u>2,839,953</u>	<u>2,668,630</u>
Tax paid	9	(108,462)	(98,608)
Net cash generated from operating activities		<u>2,731,491</u>	<u>1,970,022</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Profit received on term deposit receipts		536,565	599,419
Purchase of property and equipment	4.1	(264,862)	-
Net cash generated from investing activities		<u>271,703</u>	<u>599,419</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Lease rentals paid	11	(600,000)	(600,000)
Net cash used in financing activities		<u>(600,000)</u>	<u>(600,000)</u>
Net increase in cash and cash equivalents		<u>2,403,194</u>	<u>2,569,441</u>
Cash and cash equivalents at the beginning of the year		10,720,055	8,150,614
Cash and cash equivalents at the end of the year		<u>13,123,249</u>	<u>10,720,055</u>

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


 PRESIDENT


 DIRECTOR

SWISS BUSINESS COUNCIL (A Company incorporated under section 42 of the Companies Act, 2017)
STATEMENT OF CHANGES IN RESERVES
FOR THE YEAR ENDED JUNE 30, 2022

	2022	2021
	----- Rupees -----	
Accumulated surplus brought forward	7,942,620	5,249,068
Total comprehensive income for the year	3,103,617	2,693,552
Accumulated surplus carried forward to the statement of financial position	<u>11,046,237</u>	<u>7,942,620</u>

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


PRESIDENT


DIRECTOR

1 THE COMPANY AND ITS OPERATIONS

- 1.1 Swiss Business Council (the Company) was incorporated on May 22, 2008 as a company limited by Guarantee, without having share capital under Section 42 of the Companies Ordinance, 1984. Pursuant to the said Section, the Securities and Exchange Commission of Pakistan granted a license to the Company to register as a company with limited liability without the addition of the words "(Guarantee) Limited" to its name.
- 1.2 The Company has been formed with the objective of encouraging, facilitating and promoting Swiss Investment in Pakistan to develop trade, commerce, economic, cultural and media co-operation between the two countries. The registered office of the Company is located at 20th Floor, B.R.R Tower, Hassan Ali Street, Off I.I Chundrigar Road, Karachi.

2 BASIS OF MEASUREMENT

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 of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

- 2.2 These financial statements have been prepared under the historical cost convention.
- 2.3 These financial statements have been prepared following accrual basis of accounting except for cash flow statement.

2.4 Functional and presentation currency

The financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency.

2.5 Use of critical accounting estimates and judgments

The preparation of financial statements in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

Estimates and judgements are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

SWISS BUSINESS COUNCIL (A Company incorporated under section 42 of the Companies Act, 2017)
NOTES TO THE FINANCIAL STATEMENTS
AS AT JUNE 30, 2022

The estimates and underlying assumptions are reviewed on going basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised, if the revision effects only that period, or in the period of the revision and the future periods if the revision effects both current and future periods. The areas involving a higher degree of judgment or complexity or area where assumptions and estimates are significant to the financial statements are as follows:

	Notes
a) Useful life of property and equipment	3.1
b) Useful life of intangible asset	3.2
c) Incremental borrowing rate of leased asset	3.3
d) Expected credit loss (ECL)	3.6
e) Provision	3.12
f) Impairment of financial assets	3.14.1

2.6 Standards, amendments and interpretations to approved accounting standards

Standards, amendments and interpretations to the published standards that may be relevant to the Company and adopted in the current year

The Company has adopted the following new standards, amendments to published standards and interpretations of IFRSs which became effective during the current year.

New or Revised Standard or Interpretation	Effective date (Annual periods beginning on or after)
Annual improvements to IFRSs 2018 - 2020 Cycle	January 1, 2022
IFRS 3 References to Conceptual Framework	January 1, 2022
IAS 16 Proceeds before intended use	January 1, 2022
IAS 37 Onerous Contracts- Cost of Fulfilling a contract	January 1, 2022

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 (Amendments to IAS 12)	January 1, 2023
Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)	January 1, 2023
Definition of Accounting Estimates (Amendments to IAS 8)	January 1, 2023

The Company is in the process of assessing the impact of these Standards, amendments and interpretations to the published standards on the financial statements of the Company.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Property and equipment

These are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation is charged to income and expenditure account by applying the straight line method. Depreciation on additions to property and equipment is charged from the month in which an item is capitalized while no depreciation is charged for the month in which an item is disposed of.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gain and loss on disposal of fixed asset is included in income and expenditure account.

The asset's useful life is reviewed, and adjusted, if appropriate at each date of statement of financial position.

Maintenance and normal repairs are charged to income and expenditure account as and when incurred. Major repairs and improvements are capitalized.

3.2 Intangible assets

These are stated at cost less accumulated amortization and accumulated impairment losses, if any.

Amortization is charged using straight line method over a period of 10 years.

Gains and losses on disposal of Intangible asset, if any, are taken to income and expenditure account.

3.3 Right of use assets

The company recognizes a right-of-use asset and lease liability at the lease commencement date. Asset and liabilities arising from lease are initially measured on a present value basis.

The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses, if any, and adjusted for certain re-measurement of the lease liability. The right-of-use asset is depreciated using the straight line method over the shorter of the lease term and the asset's useful life. The estimated useful lives of the assets are determined on the same basis as that for owned assets. In addition, the right-of-use asset is periodically reduced by impairment losses, if any.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the entity's incremental borrowing rate.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, a change in assessment of whether extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

3.4 Cash and cash equivalents

These are carried at cost and comprise of cash in hand and bank balances.

SWISS BUSINESS COUNCIL (A Company incorporated under section 42 of the Companies Act, 2017)
NOTES TO THE FINANCIAL STATEMENTS
AS AT JUNE 30, 2022

3.5 Accrued and other payables

Accrued and other payables are stated at cost which is the fair value of the consideration to be paid in future for goods and services.

3.6 Expected credit loss (ECL) / Loss allowance against trade debts, deposits, advances and other receivables

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive.

The Company has elected to measure loss allowances for trade debts using IFRS 9 simplified approach and has calculated ECLs based on lifetime ECLs. ECL is based on the Company's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment including forward-looking information.

The Company reviews the recoverability of its trade debts and other receivables to assess amount of loss allowance required on an annual basis.

3.7 Other receivable

Income on term deposit receipts and saving bank accounts are recognized on time proportioned basis taking into accrual the implicit rate of return on investments on accrual basis.

Other receivables are carried at cost which is the fair value of the consideration to be received or paid in future for goods or services.

3.8 Revenue recognition

- Annual fee / Joining fee are received in advance and recognized as income on time proportionate basis.
- Service fee is recognized as income when performance obligation is satisfied.
- Advertisement income is recognized when performance obligation is satisfied at a point in time.
- Profit on term deposit is accounted for using the effective interest rate method.

3.9 Expenditure

All expenses are recognized in the income and expenditure account on accrual basis.

3.10 Related party transactions

Transactions with related parties are based at arm's length at normal commercial rates on same terms and conditions as applicable to third party transactions.

3.11 Taxation

The Company's income is taxable under the provisions of the Income Tax Ordinance, 2001 (the Ordinance), however, the Company, being a non-profit organization, is also entitled to a tax credit equal to one hundred percent of the tax payable under the Ordinance, in view of provisions contained in section 100C of the Ordinance. Further, as there is no temporary differences and therefore no differed tax asset / liability is required to be recognized in these financial statements.

SWISS BUSINESS COUNCIL (A Company incorporated under section 42 of the Companies Act, 2017)
NOTES TO THE FINANCIAL STATEMENTS
AS AT JUNE 30, 2022

3.12 Provisions

Provisions are recognized when the Company has the present legal or constructive obligation as a result of past events; it is probable that the outflow of the resources will be required to settle the obligation; and the amount has been reliably estimated.

3.13 Impairment of non-financial assets

The carrying amounts of the Company's non financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists the assets' recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of the asset exceeds its recoverable amount. Impairment losses are recognized in income and expenditure account.

3.14 Financial instruments

The particular recognition methods adopted for significant financial assets and financial liabilities are disclosed in the individual policy statements associated with them. Financial assets are de-recognized when the contractual right to future cash flows from the asset expires or is transferred along with the risk and reward of the asset. Financial liabilities are de-recognized when obligation specified in the contract is discharged, cancelled or expired. Any gain or loss on de-recognition of the financial assets and liabilities in the profit or loss account of the current period.

3.14.1 Financial assets

For the purpose of subsequent measurement, financial assets are classified into three categories upon initial recognition; namely amortized cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:

- (a) the entity's business model for managing the financial assets and
- (b) the contractual cash flow characteristics of the financial asset.

Amortized cost

A financial asset shall be measured at amortized cost if both of the following conditions are met:

- (a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair value through profit or loss (income or expenditure)

A financial asset shall be measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income. However, an entity may make an irrevocable election at initial recognition for particular investments in equity instruments that would otherwise be measured at fair value through profit or loss to present subsequent changes in fair value in other comprehensive income

Impairment of financial assets

The carrying value of the investments are reviewed at each reporting date to determine whether there is any indication of impairment. If such an indication exists, the recoverable amount of such asset is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognized in the statement of income and expenditure.

SWISS BUSINESS COUNCIL (A Company incorporated under section 42 of the Companies Act, 2017)
NOTES TO THE FINANCIAL STATEMENTS
AS AT JUNE 30, 2022

3.14.2 Financial liabilities

Financial liabilities are measured subsequently at amortized cost using the effective interest method except for those which are designated at fair value through income and expenditure account, which are carried subsequently at fair value with remeasurement gains or losses recognized in income and

All interest-related charges and, if applicable, changes in an instrument's fair value are reported in income and expenditure account are included within finance costs or finance income.

3.14.3 Derecognition

Financial assets are derecognized at the time when the Company loses control of the contractual rights that comprise the financial assets. Financial liabilities are derecognized at the time when they are extinguished, that is, when the obligation specified in the contract is discharged, cancelled, or expired. Any gains or losses on derecognition of financial assets and financial liabilities are taken to the income and expenditure account immediately.

3.14.4 Off setting

Financial assets and liabilities are off set and the net amount is reported in statement of financial position if the Company has a legal right to set-off the transactions and also intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

SWISS BUSINESS COUNCIL (A Company incorporated under section 42 of the Companies Act, 2017)
 NOTES TO THE FINANCIAL STATEMENTS
 AS AT JUNE 30, 2022

	Note	2022	2021
		-----Rupees-----	
6 LONG TERM SECURITY DEPOSIT			
Opening balance		36,710	33,903
Unwinding of security deposit		3,038	2,807
Closing balance	6.1	<u>39,748</u>	<u>36,710</u>
6.1 This represents security deposit against right of use asset.			
7 RIGHT OF USE ASSET			
Office Premises			
Cost		5,000,011	5,000,011
Accumulated depreciation	7.1	<u>(2,982,608)</u>	<u>(2,478,602)</u>
Net book value		<u>2,017,403</u>	<u>2,521,409</u>
7.1 Accumulated depreciation			
Opening balance		2,478,602	1,974,596
Depreciation for the year		504,006	504,006
Closing balance		<u>2,982,608</u>	<u>2,478,602</u>
7.2 The Company has entered into lease arrangement with B.R.R Guardian Modaraba for lease of office premises.. The remaining lease term (useful life) of the ROU is 4 years. (2021: 5 years)			
		2022	2021
	Note	-----Rupees-----	
8 PREPAYMENTS			
Opening balance		10,227	-
Amount paid during the year		24,687	21,687
Charge for the year		<u>(22,313)</u>	<u>(11,460)</u>
Closing balance		<u>12,601</u>	<u>10,227</u>
9 ADVANCE TAX			
Opening balance		261,581	163,243
Advance tax paid	9.1	<u>108,732</u>	<u>98,338</u>
Closing balance		<u>370,313</u>	<u>261,581</u>
9.1 The advance tax is paid as per section 151 and 154 of the Income Tax Ordinance, 2001.			
10 CASH AND BANK BALANCES		2022	2021
		-----Rupees-----	
Cash in hand		4,547	465
Cash at bank			
- Current account		13,118,702	719,590
- Term deposit		-	10,000,000
		<u>13,123,249</u>	<u>10,720,055</u>

SWISS BUSINESS COUNCIL (A Company incorporated under section 42 of the Companies Act, 2017)
 NOTES TO THE FINANCIAL STATEMENTS
 AS AT JUNE 30, 2022

	2022	2021
	-----Rupees-----	
11 LEASE LIABILITY AGAINST SUBJECT TO FINANCE LEASE		
Current portion	449,832	412,595
Non-current portion	<u>1,635,187</u>	<u>2,693,362</u>
	<u>2,085,019</u>	<u>3,105,957</u>
Present value of minimum lease payments		
Opening balance	3,105,957	3,669,210
Interest expense	233,906	262,616
Remeasurement of lease liability	(654,844)	(225,869)
Payments made during the year	<u>(600,000)</u>	<u>(600,000)</u>
	2,085,019	3,105,957
Less: current maturity	<u>(449,832)</u>	<u>(412,595)</u>
Non current liability	<u>1,635,187</u>	<u>2,693,362</u>

The future payments of assets subject to finance lease are as follows:

	2022		
	Future minimum lease payments	Financial charges	Principal repayments
	----- Rupees -----		
Not later than one year	600,000	150,168	449,832
Later than one year but not later than five years-	<u>1,850,000</u>	<u>214,813</u>	<u>1,635,187</u>
	<u>2,450,000</u>	<u>364,981</u>	<u>2,085,019</u>

	Note	2022	2021
		-----Rupees-----	
12 ADVANCE FEE			
Annual fee		1,480,000	1,495,000
Service fee	12.1	962,460	897,100
Joining fee		<u>55,550</u>	<u>17,304</u>
		<u>2,498,010</u>	<u>2,409,404</u>
12.1 Represents amount due to Switzerland Global Enterprise, a related party.			
13 ACCRUED AND OTHER LIABILITIES			
Audit fee		157,500	157,500
Other accrual		<u>13,114</u>	<u>-</u>
		<u>170,614</u>	<u>157,500</u>
14 MEMBERS' CONTRIBUTION			
Members' contribution	14.1	<u>-</u>	<u>-</u>

SWISS BUSINESS COUNCIL (A Company incorporated under section 42 of the Companies Act, 2017)
 NOTES TO THE FINANCIAL STATEMENTS
 AS AT JUNE 30, 2022

- 14.1 Every member of the Company undertakes to contribute to the assets of the Company in the event of its being wound up while he is a member or within one year afterwards, for payment of the debts or liabilities of the company, as per the clause VIII of memorandum of association, contracted before he ceases to be a member and the costs, charges and expenses of winding up and for adjustment of the rights of the contributories among themselves such amount as may be required but not exceeding Rs 50,000/- (Rupees Fifty Thousand Only), all Directors of the Company are deemed members of the Company.

The Directors of the Company are:

Mohsin Ali Nathani
 Samer E. Chedid
 Khatri Muhammad Iqbal
 Hafsa Shamsie
 Farhat Ali
 Asif Ikram
 Mujtaba Rahim
 Shaikh Imtiaz Hussain

15 CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as of June 30, 2022 (2021: nil).

	Note	2022	2021
		-----Rupees-----	
16 OTHER INCOME			
Remeasurement of lease liability	11	654,844	225,869
Profit on term deposit receipts	16.1	510,880	551,994
Exchange gain / (loss)		27,405	(14,590)
Unwinding of security deposit	6	3,038	-
		<u>1,196,167</u>	<u>763,273</u>

- 16.1 The term deposit is for one month on roll forward basis, which carries profit ranging between at the rate of 6.25% and 9.47% (2021: 6.25%) per annum

	Note	2022	2021
		-----Rupees-----	
17 ADMINISTRATIVE EXPENSES			
Salaries and allowances		2,539,750	2,265,212
Depreciation expense	17.1	565,256	504,006
Legal and professional charges		296,926	226,091
Interest expense on lease liability against ROUA	11	233,906	259,809
Audit fee	17.2	157,500	157,500
Communication and internet		79,060	69,000
Entertainment		54,372	40,685
Events and meetings		38,208	2,980
Balance brought down		<u>3,964,978</u>	<u>3,525,283</u>

SWISS BUSINESS COUNCIL (A Company incorporated under section 42 of the Companies Act, 2017)
 NOTES TO THE FINANCIAL STATEMENTS
 AS AT JUNE 30, 2022

	Note	2022	2021
		-----Rupees-----	
Balance carried forward		3,964,978	3,525,283
Travelling and conveyance		25,971	-
Others		23,310	19,339
Website designing and maintenance		22,313	11,460
Printing and stationery		18,933	38,105
Bank charges		14,568	19,899
Repairs and maintenance		14,500	45,205
Postage and courier		7,336	10,828
Amortization of intangible asset	5	6,590	6,590
Advertisement		-	300
		<u>4,098,499</u>	<u>3,677,009</u>
17.1 Depreciation expense			
Depreciation on ROUA	7	504,006	504,006
Depreciation of property and equipment	4.1	61,250	-
		<u>565,256</u>	<u>504,006</u>
17.2 Auditor's Remuneration			
Audit fee		137,500	137,500
Out of pocket expenses		8,333	8,333
Sindh sales tax		11,667	11,667
		<u>157,500</u>	<u>157,500</u>

18 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of Board of Directors, entities associated with Board of Directors, Switzerland Global Enterprise and the Patron & Consulate General of Switzerland in Islamabad.

18.1 Details of transactions with related parties during the year

	Relationship	Nature	2022	2021
			-----Rupees-----	
Polygal AG	Common directorship	Annual fee	<u>100,000</u>	<u>100,000</u>
Archroma Pakistan Limited	Common directorship	Annual fee	<u>100,000</u>	<u>100,000</u>
		Advertisement income	<u>20,000</u>	<u>-</u>
Al Amin Trading Corporation	Common directorship	Annual fee	<u>30,000</u>	<u>30,000</u>
		Advertisement income	<u>20,000</u>	<u>-</u>
SICPA Inks Pakistan (Private)	Common directorship	Annual fee	<u>100,000</u>	<u>100,000</u>
		Advertisement income	<u>20,000</u>	<u>-</u>

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	Relationship	Nature	2022	2021
-----Rupees-----				
Habib Metro Bank Limited	Common directorship	Annual fee	100,000	100,000
		Advertisement income	20,000	-
Imtiaz Enterprises	Common directorship	Annual fee	25,000	25,000
Roche Pakistan	Common directorship	Annual fee	100,000	100,000
Nestle Pakistan	Common directorship	Annual fee	100,000	100,000
		Advertisement income	20,000	-
Switzerland Global Enterprise		Service fee	1,924,920	1,794,200

19 REMUNERATION TO KEY MANAGEMENT

Executive:		
Managerial Remuneration	1,715,400	1,578,096
Annual Bonus	135,900	127,116
Incentives	87,000	77,000
	<u>1,938,300</u>	<u>1,782,212</u>
Number	<u>1</u>	<u>1</u>

19.1 No remuneration has been paid to the members of the Company.

20 FINANCIAL INSTRUMENTS BY CATEGORY

	Note	2022		2021	
		At amortised cost	Total	At amortised cost	Total
----- (Rupees) -----					
Financial Assets					
Cash and bank balances	10	13,123,249	13,123,249	10,720,055	10,720,055
Accrued interest		-	-	25,685	25,685
Long term security deposit		39,748	39,748	36,710	36,710
Total financial assets		<u>13,123,249</u>	<u>13,123,249</u>	<u>10,720,055</u>	<u>10,720,055</u>
Financial Liabilities					
Accrued and other liabilities	13	170,614	170,614	157,500	157,500
Total financial assets		<u>170,614</u>	<u>170,614</u>	<u>157,500</u>	<u>157,500</u>

21 FINANCIAL RISK MANAGEMENT

The Board of Directors of the Company reviews and agrees policies for managing each of the risks which are summarized below:

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market interest rates. At the date of statement of financial position, the Company is expose to such risk in respect of bank balances.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company mainly has foreign currency exposure in CHF. At the end of the year, the company has no balances that is exposed to foreign currency risk.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Company's credit risk is primarily attributable to its bank balances. However, the credit risk on bank balances is limited because the Company has only one bank i.e. Habib Metro Bank Limited bearing a credit ratings of A-1+ for short term and AA+ for long term by credit rating agency PACRA.

Liquidity risk management

Liquidity risk represents the risk that the Company will encounter difficulties in meeting obligations with the financial liabilities. The Company's objective is to maintain a balance in working capital management. These will be settled at amounts as disclosed in the Statement of Financial Position. The Company's financial liabilities have contractual maturities are summarized below

The company has sufficient liquid assets including bank balance to meet its liabilities as at year end.

	Carrying amount	1 year or less	1 to 5 years	More than 5 years
As at June 30, 2022				
Lease Liability	2,085,019	449,832	1,635,187	-
Accrued and other liabilities	170,614	170,614	-	-
	<u>2,255,633</u>	<u>620,446</u>	<u>1,635,187</u>	<u>-</u>
As at June 30, 2021				
Lease Liability	3,105,957	412,595	2,693,362	-
Accrued and other liabilities	157,500	157,500	-	-
	<u>3,263,457</u>	<u>570,095</u>	<u>2,693,362</u>	<u>-</u>

Capital risk management

The objective of the Company's capital management is to ensure the Company's ability to continue as going concern and maintain a basis for continuous growth in the Company. Total capital comprises of equity as reserves as shown in the statement of financial position.

22 FAIR VALUES OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer in an orderly transaction between market participants at the measurement date. The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values. The fair value hierarchy has the following levels:

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

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

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

Fair values of financial assets that are traded in active markets are based on quoted market prices. For all other financial instruments the Company determines fair values using valuation techniques unless the instruments do not have a market/ quoted price in an active market and whose fair value cannot be reliably measured.

Valuation techniques used by the Company include discounted cash flow model. Assumptions and inputs used in valuation techniques includes risk-free rates, bond and equity prices, foreign currency exchange rates, equity and equity index prices. The objective of valuation techniques is to arrive at a fair value determination that reflects the price of the financial instrument at the balance sheet date that would have been determined by market participants acting at arm's length.

Valuation models for valuing securities for which there is no active market requires significant unobservable inputs and a higher degree of management judgement and estimation in the determination of fair value. Management judgement and estimation are usually required for selection of the appropriate valuation model to be used, determination of expected future cash flows on the financial instrument being valued and selection of appropriate discount rates.

23 NUMBER OF EMPLOYEES

	2022	2021
Employees at year end	<u>2</u>	<u>2</u>
Average number of employees	<u>2</u>	<u>2</u>

24 SUBSEQUENT NON-ADJUSTING EVENTS

No such event or transaction has occurred subsequent to the reporting date, which may require adjustment and / or disclosure in these financial statements.

25 GENERAL

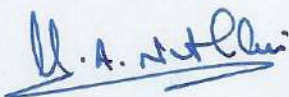
For better presentation, certain balances were reclassified where necessary.

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26 DATE OF AUTHORIZATION

These financial statements were authorized for issue on 23 SEP 2022 by the Board of Directors.

OSM



PRESIDENT



DIRECTOR