

**INDEPENDENT AUDITOR'S REPORT**  
**TO THE MEMBERS OF SWISS BUSINESS COUNCIL**  
**Report on Audit of the Financial Statements**

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**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, 2024**, and the statement of income and expenditure, the statement of changes in net assets and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of income and expenditure account, the statement of changes in net assets 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, 2024**, and of the surplus, the changes in net assets 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.

**Report on Other Legal and Regulatory Requirements**

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

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of income and expenditure account, the statement of changes in net assets 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 09, 2024

UDIN: AR2024101263D9dUHRSr

SWISS BUSINESS COUNCIL

(A COMPANY INCORPORATED UNDER SECTION 42 OF THE COMPANIES ACT, 2017)

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2024

	Note	2024	2023
		Rupees	
<b>ASSETS</b>			
<b>Non-current assets</b>			
Office equipment	4	125,200	141,158
Intangible asset	5	19,770	26,360
Security deposit	6	46,602	43,039
Right of use asset	7	1,235,816	1,781,833
		1,427,388	1,992,390
<b>Current assets</b>			
Prepayments	8	22,580	11,602
Accounts receivable		137,000	110,000
Advance tax	9	986,012	637,367
Loan to employees	10	-	1,300,000
Accrued interest on term deposit receipts		465,616	-
Cash and bank balances	11	18,354,330	14,404,767
		19,965,538	16,463,736
<b>TOTAL ASSETS</b>		<b>21,392,926</b>	<b>18,456,126</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Liability against subject to finance lease	12	772,799	1,377,739
<b>Current liabilities</b>			
Current maturity of liability against subject to finance lease	12	656,604	584,485
Advance fee	13	3,561,477	3,128,930
Accrued and other payables	14	196,020	157,500
		4,414,101	3,870,915
<b>TOTAL LIABILITIES</b>		<b>5,186,900</b>	<b>5,248,654</b>
<b>NET ASSETS</b>		<b>16,206,026</b>	<b>13,207,472</b>
<b>REPRESENTED BY</b>			
General fund		16,206,026	13,207,472
<b>TOTAL RESERVES AND LIABILITIES</b>		<b>16,206,026</b>	<b>13,207,472</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			

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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 INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 ----- Rupees -----	2023 -----
<b>INCOME</b>			
Annual fee		3,668,950	3,275,000
Service fee		3,562,720	2,173,736
Advertisement income		666,289	300,000
Joining fee		142,658	302,895
Other income	17	<u>2,251,673</u>	<u>1,727,124</u>
		<b>10,292,290</b>	<b>7,778,755</b>
<b>EXPENDITURE</b>			
Administrative expense	18	<u>(5,993,736)</u>	<u>(5,617,520)</u>
Honorarium expense	10	<u>(1,300,000)</u>	<u>-</u>
		<u>(7,293,736)</u>	<u>(5,617,520)</u>
<b>Surplus for the year</b>		<b><u>2,998,554</u></b>	<b><u>2,161,235</u></b>

The annexed notes from 1 to 26 form an integral part of these financial statements. *1/2*

  
PRESIDENT

  
DIRECTOR

SWISS BUSINESS COUNCIL  
(A COMPANY INCORPORATED UNDER SECTION 42 OF THE COMPANIES ACT, 2017)  
STATEMENT OF CHANGES IN NET ASSETS  
FOR THE YEAR ENDED JUNE 30, 2024

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	2024	2023
	----- Rupees -----	
Opening balance	13,207,472	11,046,237
Surplus for the year	2,998,554	2,161,235
Closing balance	<u>16,206,026</u>	<u>13,207,472</u>

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

  
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PRESIDENT

  
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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, 2024

	Note	2024 ----- Rupees -----	2023 ----- Rupees -----
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Surplus for the year		2,998,554	2,161,235
<b>Adjustments for non-cash and other items</b>			
Depreciation on office equipment	4.1	90,958	82,458
Amortization on intangible asset	5.1	6,590	6,590
Unwinding of security deposit	6	(3,563)	(3,291)
Depreciation on right of use asset	7.1	619,600	593,945
Interest expense on lease liability	12	140,597	178,830
Profit on term deposit receipts	17	(2,330,946)	(1,358,383)
Donation	17	(75,000)	-
<b>Surplus before working capital changes</b>		<b>1,446,790</b>	<b>1,661,384</b>
<b>Decrease / (increase) in current assets</b>			
Advances and prepayments		(10,978)	999
Accounts receivable		(27,000)	(110,000)
Loan to employee		1,300,000	(1,300,000)
		1,262,022	(1,409,001)
<b>Increase / (decrease) in current liabilities</b>			
Advance fee		432,546	630,920
Accrued and other liabilities		38,520	(13,114)
		471,066	617,806
<b>Cash generated from operations</b>		<b>3,179,878</b>	<b>870,189</b>
Tax paid	9	(348,645)	(267,054)
<b>Net cash generated from operating activities</b>		<b>2,831,233</b>	<b>603,135</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of office equipment	4.1	-	(20,000)
Profit received on term deposit receipts	17	1,865,330	1,358,383
<b>Net cash generated from investing activities</b>		<b>1,865,330</b>	<b>1,338,383</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Lease rentals paid	12	(747,000)	(660,000)
<b>Net cash used in financing activities</b>		<b>(747,000)</b>	<b>(660,000)</b>
<b>Net increase in cash and cash equivalents</b>		<b>3,949,563</b>	<b>1,281,518</b>
Cash and cash equivalents at the beginning of the year		14,404,767	13,123,249
<b>Cash and cash equivalents at the end of the year</b>		<b>18,354,330</b>	<b>14,404,767</b>

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)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024

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**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) 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 Accounting Convention**

These financial statements have been prepared under the historical cost convention except as otherwise stated in the respective accounting policies notes. These financial statements have been prepared following accrual basis of accounting except for cash flow statement.

**2.3 Functional and presentation currency**

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

**2.4 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.

The estimates and underlying assumptions are reviewed on an 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:

	<b>Notes</b>
a) Useful life of office equipment	3.1
b) Useful life of intangible asset	3.2
c) Incremental borrowing rate of leased asset	3.3
d) Impairment of financial assets	3.13.1
e) Impairment of non financial assets	3.12
f) Taxation	3.10



SWISS BUSINESS COUNCIL  
(A COMPANY INCORPORATED UNDER SECTION 42 OF THE COMPANIES ACT, 2017)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024

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**2.5 NEW STANDARDS AND INTERPRETATIONS TO APPROVED ACCOUNTING STANDARDS**

**2.5.1 Initial application of standards, amendments or interpretations to existing standards**

The following amendments and interpretations to published accounting and reporting standards that are applicable to the Company's financial statements covering annual periods, beginning on or after the following dates:

**2.5.2 Amendments and interpretations to accounting and reporting standards that became effective in the current year**

There are certain amendments to the published accounting and reporting standards that are mandatory for the Company's accounting period beginning on July 1, 2023. However, these do not have any significant impact on the Company's operations and, therefore, have not been detailed in these financial statements.

**2.5.3 Standards and amendments to accounting and reporting standards that are not yet effective and have not been early adopted by the Company**

There are certain other standards, amendments and interpretations that are mandatory for the Company's accounting period beginning on or after July 1, 2023 but are considered not to be relevant or will not have any significant effect on the Company's operations and are, therefore, not disclosed in these financial statements.

**3 MATERIAL ACCOUNTING POLICY INFORMATION**

**3.1 Office 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. The Company charges amortization on additions from the date the asset became available for the intended use upto the date when it is derecognized.

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

**3.3 Right of use assets and lease liability**

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.

SWISS BUSINESS COUNCIL  
(A COMPANY INCORPORATED UNDER SECTION 42 OF THE COMPANIES ACT, 2017)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024

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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.

**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 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.

**3.7 Revenue recognition**

- Annual fee / Joining fee are received in advance and recognized as income when performance obligation is satisfied i.e. when the services are rendered.
- Service fee is recognized as income when performance obligation is satisfied i.e. when the services are rendered.
- 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.

**3.8 Expenditure**

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

**3.9 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.

**3.10 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 deferred tax asset / liability is required to be recognized in these financial statements. Accordingly, tax suffered not same is recognized as refundable.

**3.11 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.

**3.12 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.

SWISS BUSINESS COUNCIL  
(A COMPANY INCORPORATED UNDER SECTION 42 OF THE COMPANIES ACT, 2017)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024

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### 3.13 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.

#### 3.13.1 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 Company holds annual accounts receivable with no financing component and have maturities of less than 12 months at amortised cost and, as such, has chosen to apply an approach similar to the simplified approach for expected credit losses (ECL) under IFRS 9. Therefore, the Company does not track changes in credit risk, but instead, recognises a loss allowance based on lifetime ECLs at each reporting date.

The Company's approach to ECLs reflects a probability-weighted outcome, the time value of money and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions. The Company uses the provision matrix as a practical expedient to measuring ECLs on annual accounts receivable based on days past due for groupings of receivables with similar loss patterns. Receivables are grouped based on their nature.

#### 3.13.2 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 expenditure.

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.

#### 3.13.3 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.

#### 3.13.4 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  
FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
	Rupees	
	125,200	141,158

4 OFFICE EQUIPMENT

Operating fixed assets

4.1 Operating fixed assets

	2024					Depreciation rate per annum (%)
	Rupees					
	Cost		Accumulated Depreciation		Written down value	
	As at July 01, 2023	As at June 30, 2024	As at July 01, 2023	Charge for the year	As at June 30, 2024	
Computers	448,662	523,662	324,506	86,958	411,464	30
Office equipment	168,223	168,223	168,221	-	168,221	20
Furniture	20,000	20,000	3,000	4,000	7,000	20
	636,885	711,885	495,727	90,958	586,685	
					125,200	

	2023					Depreciation rate per annum (%)
	Rupees					
	Cost		Accumulated Depreciation		Written down value	
	As at July 01, 2022	As at June 30, 2023	As at July 01, 2022	Charge for the year	As at June 30, 2023	
Computers	448,662	448,662	245,048	79,458	324,506	30
Office equipment	168,223	168,223	168,221	-	168,221	20
Furniture	-	20,000	-	3,000	3,000	20
	616,885	636,885	413,269	82,458	495,727	
					124,156	
					2	
					17,000	
					141,158	

SWISS BUSINESS COUNCIL  
(A COMPANY INCORPORATED UNDER SECTION 42 OF THE COMPANIES ACT, 2017)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024

5	INTANGIBLE ASSETS	Note	2024		2023	
			Rupees		Rupees	
	Computer software	5.1	19,770	26,360		
5.1	Computer software					
			2024			
			As at July 01, 2023	As at July 01, 2023	Charge for the year	As at June 30, 2024
			As at June 30, 2024	As at June 30, 2024		As at June 30, 2024
			Rupees			
			65,900	-	65,900	39,540
					6,590	46,130
						19,770
						10
			2023			
			As at July 01, 2022	As at July 01, 2022	Charge for the year	As at June 30, 2023
			As at June 30, 2023	As at June 30, 2023		As at June 30, 2023
			Rupees			
			65,900	-	65,900	32,950
					6,590	39,540
						26,360
						10

SWISS BUSINESS COUNCIL  
(A COMPANY INCORPORATED UNDER SECTION 42 OF THE COMPANIES ACT, 2017)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
		----- Rupees -----	
<b>6 SECURITY DEPOSIT</b>			
Opening balance		43,039	39,748
Unwinding of security deposit		3,563	3,291
Closing balance	6.1	<u>46,602</u>	<u>43,039</u>
6.1	This represents security deposit against right of use asset.		
<b>7 RIGHT OF USE ASSET</b>			
<b>Office Premises</b>			
Cost		5,431,969	5,358,386
Accumulated depreciation	7.1	<u>(4,196,153)</u>	<u>(3,576,553)</u>
Closing net book value		<u>1,235,816</u>	<u>1,781,833</u>
<b>7.1 Accumulated depreciation</b>			
Opening balance		3,576,553	2,982,608
Depreciation for the year	7.2	<u>619,600</u>	<u>593,945</u>
Closing balance		<u>4,196,153</u>	<u>3,576,553</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 2 years. (2023: 3 years)		
<b>8 PREPAYMENTS</b>			
Opening balance		11,602	12,601
Amount paid during the year		67,345	22,545
Charge for the year		<u>(56,367)</u>	<u>(23,544)</u>
Closing balance		<u>22,580</u>	<u>11,602</u>
<b>9 ADVANCE TAX</b>			
Opening balance		637,367	370,313
Amount paid during the year		348,645	267,054
Closing balance		<u>986,012</u>	<u>637,367</u>
9.1	The advance tax is paid as per section 151 and 154 of the Income Tax Ordinance, 2001.		
<b>10 LOAN TO EMPLOYEE - UNSECURED</b>			
The Company had granted a loan to its employee Mr. Fletcher P. Albert amounting to Rs. 1,300,000 in the year ended June 30, 2023. The loan was granted as interest free for a period of one year with five months of gracious period. However, the loan has been waived of by the Board of Directors on grounds of honorarium expense.			

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		2024	2023
	Note	----- Rupees -----	
<b>11 CASH AND BANK BALANCES</b>			
Cash in hand		16,182	6,657
Cash at bank			
- Current account		838,148	14,398,110
- Term deposit	11.1	<u>17,500,000</u>	-
		<u><u>18,354,330</u></u>	<u><u>14,404,767</u></u>
<b>11.1</b>	The term deposit is for one month on roll forward basis, which carries profit ranging between @ 19% and 20% (2023: 14.50% and 19.25%) per annum.		
		2024	2023
<b>12 LEASE LIABILITY</b>		----- Rupees -----	
Balance at the beginning of the year		1,962,224	2,085,019
Addition during the year due to recalculation		73,582	358,375
Finance cost		140,597	178,830
Payments made during the year		<u>(747,000)</u>	<u>(660,000)</u>
		1,429,403	1,962,224
Less: Current portion shown in current liability		<u>(656,604)</u>	<u>(584,485)</u>
		<u><u>772,799</u></u>	<u><u>1,377,739</u></u>
<b>13 ADVANCE FEE</b>			
Annual fee		1,873,950	1,795,000
Service fee		1,667,527	1,211,275
Joining fee		<u>20,000</u>	<u>122,655</u>
		<u><u>3,561,477</u></u>	<u><u>3,128,930</u></u>
<b>14 ACCRUED AND OTHER LIABILITIES</b>			
Audit fee		<u><u>196,020</u></u>	<u><u>157,500</u></u>
<b>15 MEMBERS' CONTRIBUTION</b>			

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).

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The Directors of the company are:

Khurram Shahzad Khan  
 Khatri Muhammad Iqbal  
 Hafsa Shamsie  
 Farhat Ali  
 Asif Ikram  
 Mujtaba Rahim  
 Shaikh Imtiaz Hussain  
 Jason Avancena  
 Zeeshan Hasib Baig

16 There are no contingencies and commitments as of June 30, 2024 (2023: nil).

		2024	2023
	Note	----- Rupees -----	
<b>17 OTHER INCOME</b>			
Unwinding of security deposit	6	3,563	3,291
Profit on term deposit receipts		2,330,946	1,358,383
Exchange (loss)/gain		(163,742)	365,450
Donation		75,000	-
Excess income tax deducted returned		5,906	-
		<u>2,251,673</u>	<u>1,727,124</u>
<b>18 ADMINISTRATIVE EXPENSES</b>			
Salaries and allowances		3,366,650	2,943,450
Depreciation	18.1	710,558	676,403
Legal and professional charges		368,146	323,463
Advertisement		349,400	-
Travelling and conveyance		197,649	831,579
Audit fee	18.2	196,020	157,500
Others		154,148	27841
Interest expense on lease liability against ROUA		140,597	178830
Entertainment expense		116,413	76637
Events and meetings		100,234	191,248
Communication and internet		95,239	81,134
Repairs and maintenance		72,350	26,860
Postage and courier		33,333	22437
Bank charges		32,787	8,364
Printing and stationery		30,962	41,640
Website designing and maintenance		22,660	23,544
Amortisation		6,590	6,590
		<u>5,993,736</u>	<u>5,617,520</u>
<b>18.1 Depreciation</b>			
Depreciation on ROUA		619,600	593,945
Depreciation of property and equipment		90,958	82,458
		<u>710,558</u>	<u>676,403</u>



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	2024	2023
	----- Rupees -----	
18.2 Legal and professional charges		
Audit fee	165,000	137,500
Out of pocket expenses	16,500	8,333
Sindh sales tax	14,520	11,667
	<u>196,020</u>	<u>157,500</u>

19 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties comprise of Council members, Managing Committee, Switzerland Global Enterprise and the Patron & Consulate General of Switzerland in Islamabad.

19.1 Details of transactions with related parties during the year

Name	Relationship	Nature	2024	2023
			-----Rupees-----	
Polygal AG	Common directorship	Annual fee	<u>110,000</u>	<u>110,000</u>
Archroma Pakistan Limited	Common directorship	Annual fee	<u>110,000</u>	<u>110,000</u>
		Advertisement income	<u>27,000</u>	<u>20,000</u>
Al Ameen Trading Corporation (Private) Limited	Common directorship	Annual fee	<u>40,000</u>	<u>40,000</u>
		Advertisement income	<u>24,000</u>	<u>20,000</u>
SICPA Inks Pakistan (Private) Limited	Common directorship	Annual fee	<u>110,000</u>	<u>110,000</u>
		Advertisement income	<u>27,000</u>	<u>20,000</u>
Habib Metro Bank Limited	Common directorship	Annual fee	<u>110,000</u>	<u>110,000</u>
		Advertisement income	<u>27,000</u>	<u>20,000</u>
Imtiaz Enterprises	Common directorship	Annual fee	<u>30,000</u>	<u>30,000</u>
		Advertisement income	<u>3,000</u>	<u>-</u>
Roche Pakistan	Common directorship	Annual fee	<u>110,000</u>	<u>110,000</u>
		Advertisement income	<u>27,000</u>	<u>-</u>
Nestle Pakistan	Common directorship	Annual fee	<u>110,000</u>	<u>100,000</u>
		Donation income	<u>75,000</u>	<u>-</u>
		Advertisement income	<u>185,283</u>	<u>20,000</u>
Syngenta Pakistan Limited	Common directorship	Annual fee	<u>110,000</u>	<u>110,000</u>
		Advertisement income	<u>27,000</u>	<u>10,000</u>
Switzerland Global Enterprise	Global Partner	Service fee	<u>3,562,720</u>	<u>2,422,550</u>



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23 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 which 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
<b>As at June 30, 2024</b>			
Liability against subject to finance lease	1,429,403	656,604	772,799
Accrued and other liabilities	196,020	196,020	-
	1,625,423	852,624	772,799
	Carrying amount	1 year or less	1 to 5 years
<b>As at June 30, 2023</b>			
Liability against subject to finance lease	2,085,019	449,832	1,635,187
Accrued and other liabilities	170,614	170,614	-
	2,255,633	620,446	1,635,187

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**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.

**24 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.

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June 30, 2024	Level 1	Level 2	Level 3	Total
Financial Instrument	-----Rupees-----			
Cash and bank balances	18,354,330	-	-	18,354,330
Accrued interest on term deposit receipts	465,616	-	-	465,616
Accounts receivable	137,000	-	-	137,000
Loan to employee	-	-	-	-
	<u>18,956,946</u>	<u>-</u>	<u>-</u>	<u>18,956,946</u>
June 30, 2023				
Financial Instrument				
Cash and bank balances	14,404,767	-	-	14,404,767
Accounts receivable	110,000	-	-	110,000
Loan to employee	1,300,000	-	-	1,300,000
	<u>15,814,767</u>	<u>-</u>	<u>-</u>	<u>15,814,767</u>

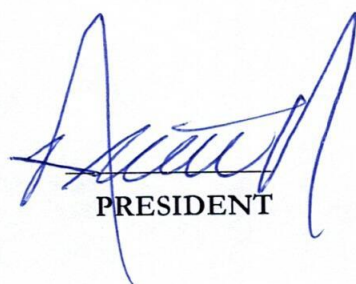
25 DATE OF AUTHORISATION FOR ISSUE

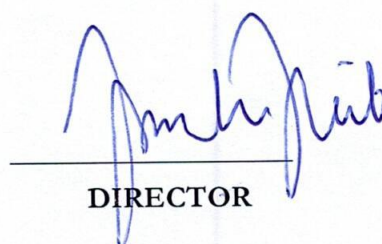
These financial statements were authorised for issue on 22.09.24 by the Council Members.

26 GENERAL

Figures presented in these financial statements have been rounded off to the nearest Rupee.

*CFM*

  
PRESIDENT

  
DIRECTOR