

PAKISTAN AGRICULTURAL COALITION

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2024

MUSHTAQ & CO.
CHARTERED ACCOUNTANTS

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Independent auditor's report to the members of PAKISTAN AGRICULTURAL COALITION

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of Pakistan Agricultural Coalition, which comprise the statement of financial position as at June 30, 2024 and income and expenditure statement, the statement of changes in fund, 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, income and expenditure statement, the statement of changes in fund 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, 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 fund and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the other information. The other information obtained at the date of this auditor's report is information included in the annual report, but does not include the financial statements of the company and our auditor's report thereon.

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

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 audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or 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 income and expenditure statement, the statement of changes in fund and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 and agree with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Nouman Arshad, ACA.

Mushtaq & Co
MUSHTAQ & CO.
Chartered Accountants



Lahore.

Dated: 05-OCT-2024

UDIN: AR202410724CIZhLBQvi

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PAKISTAN AGRICULTURAL COALITION

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2024

		June 30, 2024	June 30, 2023
	Note	Rupees	Rupees
ASSETS			
Non-Current Assets			
Property & Equipment	5	223,565	440,226
Long Term Investments	6	2,244,000	2,293,000
		2,467,565	2,733,226
Current Assets			
Loans, Advances and Receivables	7	7,405,055	5,774,448
Short Term Deposits and Prepayments	8	-	129,000
Advance Tax	9	5,391,935	2,628,026
Cash and Bank Balances	10	11,523,826	5,818,509
		24,320,816	14,349,983
TOTAL ASSETS		26,788,381	17,083,209
LIABILITIES			
Current Liabilities			
Other Payables	11	3,289,965	4,203,784
Provision For Taxation	12	1,868,720	474,080
Total Liabilities		5,158,685	4,677,864
Net Assets		21,629,696	12,405,345
Contingencies and Commitments	13	-	-
Represented by:			
Surplus Fund		21,629,696	12,405,345
		21,629,696	12,405,345

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


CHIEF EXECUTIVE


DIRECTOR

PAKISTAN AGRICULTURAL COALITION

**INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED JUNE 30, 2024**

	Note	June 30, 2024 Rupees	June 30, 2023 Rupees
INCOME			
Income	14	95,623,535	37,926,402
Other Income	14.2	248,200	-
		95,871,735	37,926,402
EXPENDITURES			
Operating expenses:			
Project expenses	15.1	77,924,478	38,354,126
Administrative expenses	15.2	6,822,784	4,830,925
Other Operating expenses	15.4.1	132,002	-
		84,879,264	43,185,051
Profit / (Loss) before taxation		10,992,471	(5,258,649)
Taxation	16	1,768,120	459,759
Surplus / (Deficit) of income over expenses		9,224,351	(5,718,408)

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


CHIEF EXECUTIVE

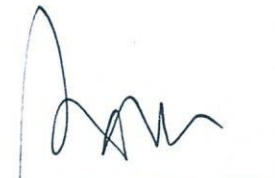

DIRECTOR

PAKISTAN AGRICULTURAL COALITION
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2024

	Total Funds Rupees
Balance as at July 01, 2022	18,123,753
(Deficit) of income over expenditure for the year ended June 30, 2023	(5,718,408)
Balance as at June 30, 2023	12,405,345
Balance as at July 01, 2023	12,405,345
Surplus of income over expenditure for the year ended June 30, 2024	9,224,351
Balance as at June 30, 2024	21,629,696

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


CHIEF EXECUTIVE


DIRECTOR

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2024

	Note	June 30, 2024 Rupees	June 30, 2023 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit / (Loss) before taxation		10,992,471	(5,258,649)
Add:			
Depreciation		192,121	233,171
Loss on disposal of property and equipment		1,040	-
		11,185,632	(5,025,478)
(Increase) / decrease in current assets			
Loans and advances		(1,630,607)	(1,592,885)
Short term deposits and prepayments		129,000	-
Increase / (decrease) in current liabilities			
Trade and other payables		(913,819)	3,466,014
Cash (used in) / generated from operations		(2,415,426)	1,873,129
Income tax paid		(3,137,389)	(5,040)
Net Cash generated from / (used in) operating activities		5,632,817	(3,157,389)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from disposal of property and equipment		23,500	-
Sale of equity shares		49,000	-
Net Cash generated from Investing Activities		72,500	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Grants received against project		-	-
Net cash (used in) / generated from financing activities		-	-
Net cash generated from / (used in) during the year		5,705,317	(3,157,389)
Cash and cash equivalents at the beginning of the year	10	5,818,509	8,975,898
Cash and cash equivalents at the end of the year		11,523,826	5,818,509

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



CHIEF EXECUTIVE



DIRECTOR

1 STATUS AND OPERATIONS

PAC (Pakistan Agricultural Coalition) is a voluntary, non profit organization, is registered in Pakistan at 22, May 2014 as an association not for profit under section 42 of the Companies Ordinance, 1984 (Repealed with the enactment of the Companies Act, 2017). Its basic purpose is to work for the increase of productivity and yield of agriculture in Pakistan, development of opportunities both for farmers as well as agri-businesses and increase in international competitiveness of agricultural products for the benefit of national economy, farmers, agri-businesses and the consumer. Its registered office is Plaza No.4, 3rd Floor Block -A, Phase 6C, Avenue 4, Behind DHA Main Office Complex Link Shabbir Sharif Road, Defence Housing Authority Lahore.

2 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of Accounting and Financial Reporting Standards for Small Sized Entities (AFRS for SSEs) issued by the International Accounting Standards Board and the Accounting Standards for Not for Profit Organizations (NPOs) issued by the Institute of Chartered Accountants of Pakistan, as are notified under the Companies Act 2017, provisions of and directives issued thereunder. In case requirements differ, the provisions or directives of the Companies Act, 2017 shall prevail.

3 BASIS OF PREPARATION

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

The preparation of financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies, reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognized prospectively commencing from the year of revision.

Judgments and estimates made by the management that may have significant risk of material adjustments to the financial statements in subsequent years are discussed in relevant note.

These financial statements are presented in Pak Rupee which is also the functional currency.

4 MATERIAL ACCOUNTING POLICIES INFORMATION

These accounts have been prepared under historical cost convention in accordance with the generally accepted accounting principles.

4.1 Accrued and other payables

Liabilities for accrued and other amounts payable are carried at cost which is fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the organization.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

4.2 Current Taxation

Previously, the company was approved u/s 2(36) of the Income Tax Ordinance 2001, as Non-Profit Organization. So, 100 % tax credit was allowed on complying with all the relevant provisions and rules including Section 100C of Income Tax Ordinance, 2001 and Income Tax Rules, 2002.

For the tax year 2023 onwards, the company is not approved as a Non-Profit Organization u/s 2(36) of the Income Tax ordinance, 2001. Therefore, tax credit u/s 100C will not be applicable for the said tax year. As a result, company is assessed under the provisions of Income tax ordinance, 2001.

4.3 Impairment

At each statement of financial position date, the organization reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount is the greater of fair value less cost to sell and value in use.

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

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

4.4 Financial instruments


All the financial assets and liabilities are recognized at the time when the organization becomes the party to the contractual provisions of instruments. Any gain or loss on derecognition of the financial assets and financial liabilities is taken to profit and loss account, currently financial assets are stated at their nominal value as reduced by the appropriate allowances for estimating irrecoverable amount. Mark up bearing financial liabilities are recorded at the gross proceeds received. Other financial liabilities are stated at their nominal value.

4.5 Off setting of financial assets and liabilities

A financial asset and financial liability is offset and the net amount is reported in the financial statements if the organization has legal enforceable right to set off the recognized amounts and intends either to settle on net basis or to realize the assets and settle the liabilities simultaneously.

4.6 Provisions

A provision is recognized in the financial statements when the organization has a legal or constructive obligation as a result of past event, and it is probable that an outflow of resource embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation.



4.7 Cash and cash equivalents

For the purpose of statement of cash flows, cash and cash equivalents are short term highly liquid instruments that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in values.

4.8 Income

Income is recognized on accrual basis and when it is probable that the economic benefits associated with the transaction will flow to the organization and the amount of income, and the associated cost incurred or to be incurred, can be measured reliably. All other income is recognized on accrual basis.

4.9 Foreign currency translation

Foreign currency transactions are translated into Pak Rupee at the exchange rate prevailing on the date of transaction. Exchange gain and losses are included in the other income currently.

4.10 Property and equipment

These are stated at cost less accumulated depreciation and impairment loss, if any. Depreciation is charged to income and expenditure statement by applying the straight line method whereby the cost of an asset is written off over its useful life at the rates specified in note 5 to the financial statements. Leased assets are depreciated over the shorter of lease term and their useful lives after taking into account the residual values of such assets. Depreciation on additions is charged for the month in which an asset is put to use and no depreciation is charged in the month in which assets are disposed. The residual value, depreciation method and the useful lives of each part of property, plant and equipment that is significant in relation to the total cost of the asset are reviewed, and adjusted if appropriate, at each reporting date.

Subsequent costs are included in the asset's carrying amounts or recognized as a separate assets, as appropriate, only when it is probable that future benefits associated with the item will flow to the entity and the cost of the item can be measured reliable.

Gains and losses on disposal of assets, if any, are taken to the income and expenditure statement.


An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income and expenditure in the year asset is derecognized.

Maintenance and normal repairs are charged to income and expenditure statement as and when incurred, whereas major renewals and improvements are capitalized and the assets so replaced, if any, are disposed off.

4.11 Investment in associates

Investment in associate is initially measured at cost. At subsequent reporting dates, the company measures its investments in associates, other than those for which there is a published price quotation at cost less any accumulated impairment loss. The company measures its investments in associates for which there is a published price quotation using the fair value model.

The company recognises dividends and other distributions received from the investment in associate as income in income and expenditure.



PAKISTAN AGRICULTURAL COALITION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

5 PROPERTY AND EQUIPMENT

5.1 Operating assets

Note	OWNED ASSETS						TOTAL
	ELECTRIC EQUIPMENTS	FURNITURE AND FIXTURES	MACHINERY AND EQUIPMENTS	COMPUTERS AND PRINTERS	CONTAINERS	MOTOR VEHICLES	
Cost							
Balance as at July 01, 2022	1,056,822	732,874	998,130	543,852	1,239,885	49,237	4,620,800
Additions during the year	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Transfer / Adjustments	-	-	-	-	-	-	-
Balance as at June 30, 2023	1,056,822	732,874	998,130	543,852	1,239,885	49,237	4,620,800
Balance as at July 01, 2023	1,056,822	732,874	998,130	543,852	1,239,885	49,237	4,620,800
Additions during the year	-	-	-	-	-	-	-
Disposals	(60,100)	-	-	-	-	-	(60,100)
Transfer / Adjustments	-	-	-	-	-	-	-
Balance as at June 30, 2024	996,722	732,874	998,130	543,852	1,239,885	49,237	4,560,700
Accumulated Depreciation							
Balance as at July 01, 2022	666,983	521,557	998,130	491,306	1,239,885	29,542	3,947,403
Charge for the year	105,683	73,288	-	44,351	-	9,849	233,171
Depreciation on disposals	-	-	-	-	-	-	-
Transfer / Adjustments	-	-	-	-	-	-	-
Balance as at June 30, 2023	772,666	594,845	998,130	535,657	1,239,885	39,391	4,180,574
Balance as at July 01, 2023	772,666	594,845	998,130	535,657	1,239,885	39,391	4,180,574
Charge for the year	102,843	72,587	-	6,845	-	9,846	192,121
Depreciation on disposals	(35,560)	-	-	-	-	-	(35,560)
Transfer / Adjustments	-	-	-	-	-	-	-
Balance as at June 30, 2024	839,949	667,432	998,130	542,502	1,239,885	49,237	4,337,135
Written down value as at June 30, 2024	156,773	65,442	-	1,350	-	-	223,565
Written down value as at June 30, 2023	284,156	138,029	-	8,195	-	9,846	440,226
Rate of depreciation	10%	10%	20%	33%	20%	20%	

5.2 Depreciation charged for the year has been allocated as follows:

Administration expenses 15.2

June 30, 2024	June 30, 2023
192,121	233,171
192,121	233,171

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	Note	June 30, 2024 Rupees	June 30, 2023 Rupees
6 LONG TERM INVESTMENTS			
Sanifa Agri Services limited	6.1	2,244,000	2,244,000
Mehrgarh Kasht (Pvt.) Ltd.	6.2	-	49,000
		2,244,000	2,293,000

6.1 This represent investment in Sanifa agri services limited (SASL) of 224,400 fully paid ordinary shares of Rs. 10 each. (0.6% of the total issued, subscribed and paid up capital of Sanifa agri services limited). The investment is ordinary investment in an unquoted company and is valued at cost. Subsequently, the investment will be valued at cost less impairment, if any.

6.2 4,900 ordinary shares of Rs. 10 each in Mehrgarh Kasht Private Ltd. were disposed off during the year.

7 LOANS , ADVANCES & RECEIVABLES**Advances**

Advance for AMD Project

Advance to Expo Centres

7.1

-	3,002
2,403,000	-
2,403,000	3,002

Receivables

Receivable from Engro Fertilizer

Receivable from Mehrgarh Kasht (Pvt.) Limited

Receivable from Shan-e-Ahmad

Receivable from Syngenta Pak

Receivables from QF Soultions

Receivables from Rashid Anwar

7.2

7.2

2,500,000	-
-	4,747,446
2,055	-
2,500,000	-
-	24,000
-	1,000,000
5,002,055	5,771,446
7,405,055	5,774,448

7.1 This represents 30% advance payment made to Karachi Expo Centre for provisional booking of "PAC Agri Connections Event 2025", which will be held on (12 - 13th February, 2025).

7.2 This represents contribution receivable of "Agriconnection Event 2024" held in March 2024.

8 SHORT TERM DEPOSITS AND PREPAYMENTS

Security deposit

-	129,000
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

	Note	June 30, 2024 Rupees	June 30, 2023 Rupees
9 ADVANCE TAX			
Opening balance		2,628,026	2,857,660
Advance tax deducted during the year		3,137,389	5,040
Advance tax adjusted/refunded during the year		(373,480)	(234,674)
Closing balance		<u>5,391,935</u>	<u>2,628,026</u>
10 CASH AND BANK BALANCES			
Cash in hand		64,052	7,548
Cash at bank - Current account		11,459,774	5,810,961
		<u>11,523,826</u>	<u>5,818,509</u>
11 OTHER PAYABLES			
Accrued liabilities	11.1	1,811,477	441,359
Loan from directors		-	150,000
Advance subscription		-	3,300,000
Tax deducted at source		1,478,488	312,425
		<u>3,289,965</u>	<u>4,203,784</u>
11.1	This includes payable to Arif Nadeem (director) of Rs. 25,000(2023: Rs. 25,000).		
12 PROVISION FOR TAXATION			
Balance at the beginning of the year		474,080	248,995
Add: Current year provision		1,868,720	474,080
Less: Advance tax adjusted during the year		(474,080)	(248,995)
		<u>1,868,720</u>	<u>474,080</u>
13 CONTINGENCIES AND COMMITMENTS			

The proceedings initiated against under section 122(5A) against demand of Rs. 4.004 million and company has filed appeals. The cases are pending adjudication.

Further The Company filed application for approval u/s 2(36) which was rejected by the CIR dated October 11, 2023 and appeal was files against the said order which was remanded back on February 07, 2024. The Company refiled an application before CIR which is pending adjudication.

PAKISTAN AGRICULTURAL COALITION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

		June 30, 2024	June 30, 2023
	Note	Rupees	Rupees
14 INCOME			
Subscription fee		26,700,000	36,945,000
Agri Connection Event Income	14.1	68,923,535	981,402
		<u>95,623,535</u>	<u>37,926,402</u>
14.1 Agri Connection Contribution		68,075,535	-
Agri Connection Participation fee		848,000	981,402
		<u>68,923,535</u>	<u>981,402</u>
14.2 Other Income			
Liabilities written off		248,200	-
15.1 Project expenses:			
Agri Connection Event	15.4	56,312,455	15,558,740
EWR regime	15.4	16,357,194	14,851,402
Crop insurance	15.4	5,254,829	7,639,090
Collection centre for Horticulture	15.4	-	304,894
		<u>77,924,478</u>	<u>38,354,126</u>
15.2 Administrative expenses:			
Consultancy fee		2,688,693	1,864,663
Professional charges		1,121,400	1,020,000
Rent expense		799,238	399,206
Salaries & benefits		639,000	573,000
Tax Expense		405,400	-
Utilities		377,113	286,624
Travelling & accommodation		285,690	143,690
Depreciation	5.2	192,121	233,171
Internet & cable charges		48,402	49,618
Communication charges		46,990	37,560
Kitchen Supplies		44,589	35,608
Meals & entertainment		23,210	17,524
Legal & Compliance charges		21,035	8,546
Repairs & maintenance		18,510	23,390
Printing & stationary		12,750	33,708
Bank charges		8,417	7,709
Auditor's remuneration	15.3	65,450	55,500
Postage & courier		7,673	13,400
Office supplies		7,126	5,335
Mobile expense		5,700	4,500
Web maintenance charges		3,150	17,328
Loss on Disposal		1,040	-
Miscellaneous expenses		87	845
		<u>6,822,784</u>	<u>4,830,925</u>
		<u>84,747,262</u>	<u>43,185,051</u>
15.3 Auditors' remuneration			
Annual audit fee		55,000	50,000
Sales tax		2,750	2,500
Out of pocket expenses		7,700	3,000
		<u>65,450</u>	<u>55,500</u>

PAKISTAN AGRICULTURAL COALITION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

15.4

UNRESTRICTED						
EWR REGIME				CROP INSURANCE	AGRI CONNECTION EVENT	TOTAL (CONSOLIDATED) 2024
PADDY RICE PROJECT	WHEAT PILOT PROJECT	MAIZE PROJECT	TOTAL			

PROJECT EXPENSES

Consultancy fee	238,654	238,654	238,654	715,962	1,532,329	8,828,616	11,076,907
Meals & entertainment	-	-	-	-	-	93,751	93,751
Printing & stationery	-	-	-	-	-	78,270	78,270
Salaries & benefits	5,213,740	5,213,740	5,213,752	15,641,232	3,722,500	-	19,363,732
Travelling & accommodation	-	-	-	-	-	1,160,875	1,160,875
Presentation Expenses	-	-	-	-	-	651,685	651,685
Professional Charges	-	-	-	-	-	2,643,205	2,643,205
Display & Décor	-	-	-	-	-	32,946,024	32,946,024
Courier & Postage	-	-	-	-	-	7,390	7,390
Bank Charges	-	-	-	-	-	2,459	2,459
Advertisement & Publication	-	-	-	-	-	1,130,000	1,130,000
Venue Rental	-	-	-	-	-	8,770,180	8,770,180
TOTAL	5,452,394	5,452,394	5,452,406	16,357,194	5,254,829	56,312,455	77,924,478

15.4.1 Other Operating Expenses

June 30,
2024

June 30,
2023

Write off Balances

132,002

-

	June 30, 2024 Rupees	June 30, 2023 Rupees
16 TAXATION		
Current tax expense / (Income):		
Current year	1,868,720	474,080
Prior year	(100,600)	(14,321)
	<u>1,768,120</u>	<u>459,759</u>

17 TRANSACTIONS WITH RELATED PARTY

NAME OF RELATED PARTY	NATURE OF RELATIONSHIP	NATURE OF TRANSACTION		
Mehargarh Kasht (Pvt.) Ltd.	Associated company	Receivable	5,948,150	4,747,446
		Investment	-	49,000
Sanifa agri services limited	Common directorship	Investment	2,244,000	2,244,000

18 RELATED PARTY TRANSACTIONS

All transactions with related parties are carried out by the Company at arms' length price using the method.
Nature of the related party relationship as well as information about the transactions and outstanding balances are disclosed in the relevant notes to the financial statements.

	June 30, 2024	June 30, 2023
19 NUMBER OF EMPLOYEES		
Number of employees as at	6	7
Average number of employees during the year	7	7

20 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

The organization has exposures to the following risks from its use of financial instruments.

- 20.1 Credit risk
20.2 Liquidity risk
20.3 Market risk

The board of directors has overall responsibility for the establishment and oversight of organization's risk management framework. The board is also responsible for developing and monitoring the organization's risk management policies.

20.1 Credit risk**20.1.1 Exposure To credit risk**

Credit risk is the risk of financial loss to the organization if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the other receivables, advances, deposits and prepayments and cash and bank balances. Out of total financial assets of Rs. 21,172,881 (June 30, 2023 : Rs. 14,011,955), financial assets which are subject to credit risk aggregate to Rs. 9,649,055 (June 30, 2023 : Rs. 8,193,446). The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date is as follows:

	June 30, 2024 Rupees	June 30, 2023 Rupees
Financial assets		
Long Term Investments	2,244,000	2,293,000
Loans, advances & receivables	7,405,055	5,771,446
Security deposit	-	129,000
Cash and bank balances	11,523,826	5,818,509
	<u>21,172,881</u>	<u>14,011,955</u>

20.2 Liquidity risk

Liquidity risk is the risk that the organization will not be able to meet its financial obligations as they fall due. The organization's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damages to the organization's reputation. The following are the contractual maturities of financial liabilities, including interest payments and excluding the impact of netting agreements.

	June 30, 2024					
	Carrying Amount	Contractual Cash flows	Six months or less	Six to twelve months	Two to five years	More than five years
	-----Rupees-----					
Non - derivative Financial liabilities						
Other payables	3,289,965	3,289,965	3,289,965	-	-	-
	<u>3,289,965</u>	<u>3,289,965</u>	<u>3,289,965</u>	<u>-</u>	<u>-</u>	<u>-</u>
	June 30, 2023					
	Carrying Amount	Contractual Cash flows	Six months or less	Six to twelve months	Two to five years	More than five years
	-----Rupees-----					
Non - derivative Financial liabilities						
Other payables	4,203,784	4,203,784	4,203,784	-	-	-
	<u>4,203,784</u>	<u>4,203,784</u>	<u>4,203,784</u>	<u>-</u>	<u>-</u>	<u>-</u>

20.3 Market risk

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates or the market price due to a change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities, and liquidity in the market. The organization is exposed to interest rate risk only.

20.3.1 Currency risk**Exposure to currency risk**

The organization is exposed to currency risk on other receivables and others that are denominated in a currency other than the respective functional currency of the organization. The organization is not exposed to any currency risk as at June 30, 2024.

20.3.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Majority of the interest rate exposures arise from term deposit receipts. At the financial statements date the interest rate profile of the organization's interest bearing financial instrument is as follows.

	June 30, 2024 Rupees	June 30, 2023 Rupees
Variable rate instruments		
Financial assets	-	-
Fair value sensitivity analysis for fixed rate instruments		

The organization does not account for any fixed rate financial assets and liabilities at fair value through Income and expenditure.

Therefore, a change in interest rates at the reporting date would not affect income and expenditure statement.

Cash flow sensitivity analysis for fixed rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased / (decreased) surplus and income or expenditure by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis as for June 30, 2023.

	Income and Expenditure		Equity	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
	Rupees			
Cash flow sensitivity - variable rate instruments	-	-	-	-
Cash flow sensitivity - variable rate instruments	-	-	-	-

20.4 Fair value of financial assets and liabilities

The carrying value of all financial instruments reflected in the financial statements approximate to their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

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

20.5 Off balance sheet items

There is no off balance sheet item as at June 30, 2024.

20.6 The effective rate of interest / mark up for the monetary financial assets and liabilities are mentioned in respective notes to the financial statements.

21 Corresponding figures

Figures have been rearranged / reclassified whenever necessary for the purpose of comparison.

22 Date of authorization

These financial statements were authorized for issue on 05 OCT 2024 by the board of directors of the organization.

23 General

Figures have been rounded off to the nearest rupee.



CHIEF EXECUTIVE



DIRECTOR