

**INDEPENDENT AUDITORS' REPORT
TO THE BOARD OF GOVERNORS OF PAKISTAN CRICKET BOARD
REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

Opinion

We have audited the annexed financial statements of **Pakistan Cricket Board** ("the Board"), which comprise the statement of financial position as at **June 30, 2022**, and the statement of income and expenditure, the statement of comprehensive income, the statement of changes in general 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 (*hereinafter referred as "the financial statements"*).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Board as at June 30, 2022, and its financial performance, the changes in general fund and its cash flows for the year then ended in accordance with the requirements of International Financial Reporting Standards (IFRSs) as applicable in Pakistan.

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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Board 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.

Emphasis of Matter

We draw attention to the note 5.1.2 and note 6.2 of the accompanying financial statements which describe that the Board has capitalized and in process of capitalizing certain costs in connection with the construction and installation of civil works, flood lights and electric screens at Rawalpindi Cricket Stadium, Iqbal Cricket Stadium Faisalabad, Ghari Khuda Buksh Cricket Stadium and National Cricket Academy Lahore, however, the lease agreements in respect of such stadiums and academy have not been finalized yet with the concerned government departments. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Board of Governors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with those requirements of the IFRSs as applicable in Pakistan, relevant to preparation of such financial statements and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Independent Auditors' Report (continued)

To the Board of Governors of Pakistan Cricket Board

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

The Board of Governors are responsible for overseeing the Board's financial reporting process.

Information Other than the Financial Statements and Auditors' Report Thereon

We understand that there will be no other information accompanying the financial statements. Accordingly, we do not have any obligation to report on such information.

Auditors' 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 auditors' 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 Board's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management



Independent Auditors' Report (continued)

To the Board of Governors of Pakistan Cricket Board

- 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 Board's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Board 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 Governors 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.

Other Matter

The financial statements of the Board for the year ended June 30, 2021 were audited by another auditor who expressed an unmodified opinion on those financial statements on April 26, 2022.

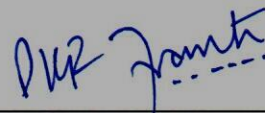
The engagement partners on the audit resulting in this independent auditors' report are **Mehmood A. Razzak** (Baker Tilly Mehmood Idrees Qamar, Chartered Accountants) and **Nouman Razaq Khan** (PKF F.R.A.N.T.S., Chartered Accountants).



Baker Tilly Mehmood Idrees Qamar
Chartered Accountants
Karachi

Date: February 12, 2024

UDIN: AR202210151RI0qgYnfE



PKF F.R.A.N.T.S.
Chartered Accountants
Lahore

Date: February 12, 2024

UDIN: AR202210205m3hEBd9Vf

PAKISTAN CRICKET BOARD
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2022



ASSETS	Note	2022 Rupees	2021 Rupees
Non-current assets			
Property and equipment			
- Operating fixed assets	5	2,245,202,554	1,579,798,907
- Capital work-in-progress	6	51,852,595	1,096,906,738
Investment property	7	308,178,258	-
Intangible assets	8	12,593,491	3,745,113
Long-term investment	9	37,500	37,500
Long-term security deposits		9,430,784	9,390,658
		2,627,295,182	2,689,878,916
Current assets			
Stores and spares		60,814,090	45,841,498
Due from sponsors, franchisees, boards and associations	10	3,478,334,011	2,475,189,259
Loans and advances	11	452,638,925	302,123,603
Short-term prepayments	12	9,741,548	25,841,561
Other receivables	13	576,604,647	233,728,363
Taxation - net	14	576,152,277	465,269,325
Short-term investments	15	15,638,947,381	13,139,147,381
Cash and bank balances	16	1,438,290,071	564,087,388
		22,231,522,950	17,251,228,378
TOTAL ASSETS		24,858,818,132	19,941,107,294
FUND AND LIABILITIES			
General fund		17,304,552,163	16,263,237,513
Non-current liabilities			
Long-term liabilities	17	32,278,463	59,652,840
Deferred revenue	18	627,713,473	95,649,676
Long-term security deposits		18,732,956	599,215
		678,724,892	155,901,731
Current liabilities			
Trade and other payables	19	5,532,099,536	3,204,925,480
Current portion of long-term liabilities and deferred revenue	20	1,343,441,541	317,042,570
		6,875,541,077	3,521,968,050
TOTAL FUND AND LIABILITIES		24,858,818,132	19,941,107,294
CONTINGENCIES AND COMMITMENTS	21	-	-

The annexed notes from 1 to 44 form an integral part of these financial statements.


Chief Financial Officer


Chief Operating Officer

PAKISTAN CRICKET BOARD
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2022



INCOME	Note	2022 Rupees	2021 Rupees
Revenue from:			
- Tours outside Pakistan		55,010,000	105,338,225
- Tours inside Pakistan and neutral venues	22	1,051,557,517	493,835,845
- Tournaments:			
- Domestic	23	70,037,264	38,546,153
- International	24	2,811,484,659	2,459,310,000
- Pakistan Super League:			
- Revenue	25	3,341,247,927	3,809,232,667
- Share of franchisees - COVID - 19 Relief		-	(1,637,977,346)
		3,341,247,927	2,171,255,321
		7,329,337,367	5,268,285,544
Sponsorship and logo income		118,693,890	54,490,386
Rental income	26	67,291,650	27,069,306
Return on investments and bank deposits	27	1,173,614,872	928,117,677
Other income	28	344,934,646	52,879,204
		1,704,535,058	1,062,556,573
Total income		9,033,872,425	6,330,842,117
EXPENDITURE			
Direct expenses related to:			
- Tours outside Pakistan	29	(496,531,389)	(565,392,354)
- Tours inside Pakistan and neutral venues	30	(1,344,069,953)	(760,595,962)
- Tournaments:			
- Domestic	31	(1,553,340,144)	(1,132,573,191)
- International	32	(237,492,910)	(5,737,409)
- Pakistan Super League	33	(1,267,264,164)	(2,408,883,350)
- Cricket promotional expenses	34	(1,016,564,633)	(744,074,342)
		(5,915,263,193)	(5,617,256,608)
Administrative expenses	35	(1,440,000,255)	(1,177,074,035)
Depreciation and amortization	36	(238,219,853)	(185,613,697)
Financial and other charges	37	(5,667,289)	(106,982,947)
		(1,683,887,397)	(1,469,670,679)
Total expenditure		(7,599,150,590)	(7,086,927,287)
Surplus / (deficit) for the year before taxation		1,434,721,835	(756,085,170)
Taxation	38	(393,407,185)	(79,841,639)
Surplus / (deficit) for the year after taxation		1,041,314,650	(835,926,809)

The annexed notes from 1 to 44 form an integral part of these financial statements.


Chief Financial Officer


Chief Operating Officer

PAKISTAN CRICKET BOARD
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2022



	2022 Rupees	2021 Rupees
Surplus / (deficit) for the year after taxation	1,041,314,650	(835,926,809)
Other comprehensive income		
Total comprehensive income / (loss) for the year	1,041,314,650	(835,926,809)

The annexed notes from 1 to 44 form an integral part of these financial statements.


Chief Financial Officer


Chief Operating Officer

PAKISTAN CRICKET BOARD
STATEMENT OF CHANGES IN GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022



	General Fund Rupees
Balance as at July 01, 2020	17,099,164,322
Deficit for the year after taxation	(835,926,809)
Other comprehensive income	-
Total comprehensive loss for the year	(835,926,809)
Balance as at June 30, 2021	16,263,237,513
Surplus for the year after taxation	1,041,314,650
Other comprehensive income	-
Total comprehensive income for the year	1,041,314,650
Balance as at June 30, 2022	17,304,552,163

The annexed notes from 1 to 44 form an integral part of these financial statements.


Chief Financial Officer


Chief Operating Officer

PAKISTAN CRICKET BOARD
STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED JUNE 30, 2022



	Note	2022 Rupees	2021 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Surplus / (deficit) for the year before taxation		1,434,721,835	(756,085,170)
Adjustments for non-cash items:			
Depreciation and amortization	36	266,883,098	207,947,229
Provision for expected credit losses	33 & 35	23,882,003	129,432,926
Unrealised exchange (gain) / loss		(1,537,974)	98,816,986
Gain on disposal of operating fixed assets	28	(6,507,277)	(396,990)
Adjustment of advance rent		(3,355,664)	(3,355,664)
Settlement loss for unfunded gratuity	17.1.1	-	871,963
Interest expense on lease liabilities	37	5,259,318	5,132,600
Financial charges	37	1,089,874	714,060
		<u>285,713,378</u>	<u>439,163,110</u>
Cash flows before working capital changes		1,720,435,213	(316,922,060)
Cash flows from working capital changes			
(Increase) / decrease in current assets:			
Stores and spares		(14,972,592)	772,519
Due from sponsors, franchisees, boards and associations		(1,003,144,752)	257,795,509
Loans and advances		(174,397,325)	(156,943,735)
Short-term prepayments		16,100,013	38,315,691
Other receivables		(342,876,284)	(43,519,002)
		<u>(1,519,290,940)</u>	<u>96,420,982</u>
Increase in current liabilities:			
Trade and other payables		3,856,031,168	1,707,933,440
Cash generated from operations		<u>4,057,175,441</u>	<u>1,487,432,362</u>
Financial charges paid		(1,089,874)	(714,060)
Income tax paid		(504,290,137)	(266,476,997)
Staff retirement benefits - gratuity paid		-	(288,390,475)
Leave encashment paid		-	(73,656,600)
Long-term loans - net		-	1,761,006
		<u>(505,380,011)</u>	<u>(627,477,126)</u>
Net cash generated from operating activities		<u>3,551,795,430</u>	<u>859,955,236</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure incurred		(206,999,982)	(287,638,137)
Proceeds from disposal of property and equipment		9,575,646	548,470
Long-term security deposits - net		18,093,615	(18,400)
Net cash used in investing activities		<u>(179,330,721)</u>	<u>(287,108,067)</u>
Net increase in cash and cash equivalents		<u>3,372,464,709</u>	<u>572,847,169</u>
Effects of exchange rate on cash and cash equivalents		1,537,974	(98,816,986)
Cash and cash equivalents at beginning of the year		13,703,234,769	13,229,204,586
Cash and cash equivalents at end of the year	39	<u>17,077,237,452</u>	<u>13,703,234,769</u>

The annexed notes from 1 to 44 form an integral part of these financial statements.

Chief Financial Officer

Chief Operating Officer

1. STATUS AND NATURE OF BUSINESS

The Pakistan Cricket Board (hereinafter referred to as "PCB" or the "Board") was constituted as a statutory body in Pakistan on September 18, 1979, by the Ministry of Culture, Sports and Tourism vide S.R.O 848 (I) / 79. The constitution of the Board was reissued on October 18, 2007, by the Ministry of Sports vide S.R.O 64 (KE) / 2007, under the powers conferred by sub-section (1) of section 3 read with section 4 of the Sports (Development and Control) Ordinance, 1962 (XVI of 1962). In 2013, constitution was reissued again vide S.R.O 100(I)/2013, dated February 14, 2013, by the Federal Government under the powers conferred by the Ordinance as aforementioned. In 2014, a revised constitution was issued vide S.R.O 43 (KE) / 2014, dated July 10, 2014, under the powers conferred by the Ordinance as aforementioned. During 2015 and 2016, certain amendments were made vide S.R.O 38 (KE) / 2015, and S.R.O. 20 (KE) / 2016, respectively under the powers conferred by the Ordinance as aforementioned. S.R.O 43 (KE) / 2014, has now been repealed and superseded by S.R.O. 1045 (I) / 2019, on August 19, 2019. Under the PCB Constitution, the Board is a body corporate having perpetual succession and a common seal with powers to acquire, hold or dispose of property, and may sue or be sued in its name. The head office of PCB is situated at Gaddafi Stadium, Lahore.

PCB as the sole regulator for the game of cricket in Pakistan performs its functions according to the objectives laid down in its Constitution which primarily relate to regulating the affairs of cricket all over Pakistan. Accordingly, PCB promotes and regulate all formats of domestic and international cricket for men, women, physically challenged or otherwise handicapped such as the blind, deaf and others in the country. For this purpose, PCB generates funds from its own sources without any donation or funding from any third party or any Provincial or Federal Government.

PCB provides monetary grants to its Constituent Members as defined in the PCB Constitution i.e. all entities constituted pursuant to the terms thereof. This is to ensure development of cricket right from the grass root levels. PCB, as the autonomous governing body of Pakistan cricket, is also responsible for monitoring the functions conducted by these Constituent Members in respect of affairs pertaining to cricket in their respective jurisdictions.

Additionally, for the purpose of regulation of the game and those affiliated with the game or PCB in any manner whatsoever, PCB has put in place codes and regulations relating to the matters of discipline, anti-corruption, anti-doping and other issues concerning activities involving the game, followed by the measures to implement the same.

PCB organizes cricket tournaments and series round the year at domestic levels all over Pakistan to give opportunities to the youngsters. On the international level, PCB organizes its home series in Pakistan and at other neutral venues and also sends the national teams for participation in cricket tournaments in collaboration with the International Cricket Council, Asian Cricket Council and other Foreign Cricket Boards. In this regard, the selection of teams for domestic and international purposes is one of the most important functions and responsibilities of PCB.

In order to fulfil its functions, PCB is additionally authorized to develop cricket infrastructure within Pakistan for which it undertakes any act deemed appropriate to own, acquire, deal with, obtain or let on lease moveable or immoveable property and other ancillary and related functions.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with approved accounting and reporting standards as applicable in Pakistan. Approved accounting and reporting standards comprise of such International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as applicable in Pakistan.

3. BASIS OF PREPARATION

3.1 These financial statements have been prepared under the historical cost convention except otherwise stated in the respective notes and policies. In these financial statements, except for the amounts reflected in statement of cash flows, all transactions have been accounted for on accrual basis.

3.2 Functional and presentation currency

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

3.3 Significant accounting judgments and critical accounting estimates / assumptions

The preparation of financial statements in conformity with the approved accounting and reporting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Board's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience, including expectation of future events that are believed to be reasonable under the circumstances. The areas where various assumptions and estimates are significant to the Board's financial statements or where judgments were exercised in application of accounting policies are as follows:

- Useful lives, residual value, depreciation method and impairment of the property and equipment (Note 4.2)
- Useful lives, residual value, depreciation method of investment property (Note 4.3)
- Useful lives, residual value, amortization method of intangible assets (Note 4.4)
- Allowance for slow moving / obsolete items (Note 4.6)
- Provision for expected credit losses (Note 4.8)
- Current income tax expense, provision for current tax and recognition of deferred tax asset (for carried forward tax losses) (Note 4.9)
- Provision of unfunded gratuity (Note 4.10.1)
- Provision of earned leave (Note 4.10.3)
- Revenue from contracts with customers (Note 4.14)
- Contingencies (Note 4.18)

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies which have been adopted in the preparation of financial statements of the Board are consistent with previous years.

4.1 Standards, interpretations and amendments to accounting and reporting standards as applicable in Pakistan which are effective in current period

New accounting standards / amendments and IFRS interpretations that are effective for the year ended June 30, 2022

There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for accounting periods beginning on or after July 01, 2021. However, these are not considered to be relevant / do not have any significant impact on the Board's financial statements, that's why have not been detailed here.

New accounting standards / amendments and IFRS interpretations that are not yet effective

The following new accounting standards, interpretations and amendments to accounting and reporting standards are effective for accounting periods, beginning on or after the date mentioned against each of them. These amendments, interpretations and standards are, either not relevant to the Board's operations, or are not expected to have a significant impact on the Board's financial statements other than certain additional disclosures

Standards or Interpretations	Effective from annual period beginning on or after
Amendments to IFRS 3 'Business Combinations' that updated an outdated reference in IFRS 3 without significantly changing its requirements.	January 1, 2022
Amendments to IFRS 9 'Financial Instruments' - regarding fees in the '10 percent' test for the derecognition of financial liabilities.	January 1, 2022
Amendments to IFRS 10 'Consolidated Financial Statements' and IAS 28 'Investments in Associates and Joint Ventures' - sale or contribution of assets between an investor and its associate or joint venture.	Date to be determined. Earlier application is permitted.
Amendments to IFRS 16 'Leases' - regarding lease incentives.	January 1, 2022
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current and disclosure of accounting policies.	January 1, 2023
Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - regarding the definition of accounting estimates.	January 1, 2023
Amendments to IAS 12 'Income Taxes' - regarding deferred tax on leases and decommissioning obligations.	January 1, 2023
Amendments to IAS 16 'Property, Plant and Equipment', prohibiting the Company from deducting from the cost of property plant and equipment, amount received from selling items produce while the Company is preparing the asset for its intended use.	January 1, 2022
Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' regarding the costs of fulfilling the contract to include when assessing whether a contract is onerous.	January 1, 2022
Amendments to IAS 41 'Agriculture' - taxation in fair value management.	January 1, 2022
Certain annual improvements have also been made to a number of IFRSs.	
Other than the aforesaid standards, interpretations and amendments, the International Accounting Standards Board (IASB) has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:	
<ul style="list-style-type: none"> - IFRS 1 – First Time Adoption of International Financial Reporting Standards - IFRS 17 – Insurance Contracts 	

4.2 Property and equipment

4.2.1 Operating fixed assets and depreciation

Owned:

a) Measurement

Operating fixed assets except freehold land are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Freehold land is stated at cost less impairment loss if any. Cost comprises purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, and includes other costs directly attributable to the acquisition or construction, erection and installation.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Board and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to statement of income and expenditure during the year in which they are incurred.

b) Depreciation

Depreciation on property and equipment is charged to statement of income and expenditure on straight line method so as to write off the cost of an asset over its estimated useful life at the rates given in note 5. Full month depreciation is charged on additions when available for use while no depreciation is charged in the month of disposal.

c) Disposal

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 carrying amount of the asset) is included in the statement of income and expenditure in the year the asset is derecognized.

d) Impairment

The carrying amounts of the Board's property and equipment are reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of such asset is estimated. An impairment loss is recognized wherever the carrying amount of the asset exceeds its recoverable amount. Impairment losses are recognized in the statement of income and expenditure. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset/cash generating unit is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

4.2.2 Right of use assets

a) Measurement

Right of use assets are initially measured at cost being the present value of lease payments, initial direct costs, any lease payments made at or before the commencement of the lease as reduced by any incentives received. These are subsequently measured at cost less accumulated depreciation and accumulated impairment losses, if any.

b) Depreciation

Depreciation is charged on straight line basis over the shorter of the lease term or the useful life of the asset. Where the ownership of the asset transfers to the Board at the end of the lease term or if the cost of the asset reflects that the Board will exercise the purchase option, depreciation is charged over the useful life of asset.

The Board has elected to apply the practical expedient not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases are recognised as an expense on a straight line basis over the lease term.

4.2.3 Capital work-in-progress

Capital work-in-progress represents expenditures on property and equipment in the course of construction and installation. Transfers are made to relevant property and equipment category as and when assets are available for use and the costs can be measured reliably. Capital work in progress is stated at cost less identified impairment loss, if any.

4.2.4 Advance against purchase of non-current assets

Advance payments for the purchase of operating fixed assets and intangible assets are classified under the non-current assets.

4.3 Investment property

a) Measurement

Property not held for own use or for sale in the ordinary course of business is classified as investment property. The Board uses cost model for valuation of its investment property. Freehold land has been valued at cost less any impairment loss whereas buildings on freehold land have been valued at cost less accumulated depreciation and any impairment loss. A property is transferred to, or from, investment property when there is a change in use.

Rental income from investment property that is leased to a third party under an operating lease is recognised in the statement of income and expenditure on a straight line basis over the lease term.

b) Depreciation

Depreciation on investment property is charged to statement of income and expenditure on straight line method, so as to write off, the cost over its estimated useful life at the rates given in Note 7. Full month depreciation is charged in the month of addition while no depreciation is charged in the month of disposal.

c) Judgement and Estimates

The useful life, residual value and depreciation method are reviewed on a regular basis. The effect of any change in estimate is accounted for on a prospective basis. Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposals and the carrying amount of the investment property) is recognized in statement of income and expenditure.

4.4 Intangible assets

Intangible assets are recognized when it is probable that the expected future economic benefits will flow to the entity and the cost of the asset can be measured reliably. Cost of the intangible asset include purchase cost and directly attributable expenses incidental to bring the asset for its intended use. Intangible assets are amortized using the straight line method over a period of three years. Intangible assets are stated at cost less accumulated amortization and accumulated impairment losses, if any. Amortization on additions to intangible assets is charged from the month in which an asset is acquired or capitalized while no amortization is charged for the month in which the asset is disposed off.

4.4.1 Judgement and Estimates

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

4.5 Investment in associate

Associate is an entity over which the Board has significant influence but not control, generally accompanying a shareholding between 20% and 50% of the voting rights. Investment in associate is accounted for using the equity method of accounting and is initially recognised at cost. The Board's investment in associate includes goodwill identified on acquisition, net of any accumulated impairment loss.

The Board's share of its associate's post-acquisition profits or losses is recognised in the statement of income and expenditure, and its share of post-acquisition movements in reserves is recognised in general fund. The cumulative post acquisition movements are adjusted against the carrying amount of the investment. When the Board's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Board does not recognise further losses, unless it has incurred obligations or has made payments on behalf of the associate.

4.6 Stores and spares

Stores and spares are stated at lower of cost and net realizable value. Cost is determined by using the moving average method. Items in transit are valued at cost comprising invoice value plus other charges incurred thereon. Allowance is made for slow moving and obsolete items. Net realizable value signifies the estimated selling price in the ordinary course of business less estimated costs of completion and selling expenses.

4.7 Cash and cash equivalents

Cash and cash equivalents comprise cash-in-hand, cash at banks on current, saving and deposit accounts and other short term highly liquid instruments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

4.8 Trade and other receivables

Trade receivables (including due from sponsors, franchisees, boards and association) represents the Board's unconditional right to an amount of consideration.

Trade receivables are initially recognized at original invoice amount (as agreed in agreement) which is the fair value of the consideration to be received and subsequently measured at cost less allowance for expected credit loss.

The Board uses simplified approach for measuring the expected credit losses for all trade and other receivables. The Board uses a time-related provision matrix to estimate expected credit losses wherein trade receivables are grouped and provided for, on basis of time since outstanding. Debts considered irrecoverable, are written off.

4.9 Taxation

4.9.1 Current

Provision for current tax is based on taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using prevailing current tax rates or tax rates after taking into account minimum taxation, rebates and tax credits, if any, expected to apply to the income for the year, if enacted. For revenues covered under final tax regime, current tax is based on applicable tax rates applied to such revenues. The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments framed during the year.

4.9.2 Deferred

Deferred tax is accounted for by using the balance sheet liability method on all timing differences between carrying amounts of assets and liabilities in the financial statements and their tax base. Deferred tax liabilities are recognized for all taxable temporary differences. The Board recognizes deferred tax assets on all deductible temporary differences to the extent it is probable that future taxable income will be available against which these deductible temporary differences can be utilized. Deferred tax asset is also recognized for the carry forward of unused tax losses and unused tax credits to the extent it is probable that future taxable income will be available against which the unused tax losses and unused tax credits can be utilized. Deferred tax is charged to / credited in the statement of income and expenditure except in case of items credited or charged to statement of comprehensive income in which case it is included in statement of comprehensive income.

The carrying amount of all deferred tax assets is reviewed at each statement of financial position date and adjusted to the appropriate extent, if it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or liability is settled, based on the tax rates that have been enacted or substantively enacted at the statement of financial position date.

Deferred tax asset, the potential tax benefit of which amounts to Rs. 929.607 million (2021: Rs. 1,232.170 million) at year-end has not been recognized considering the tax losses incurred in previous years and probability of tax losses in future as a matter of prudence. Deductible temporary differences against which no deferred tax asset has been recognized amount to Rs. 1,156.860 million (2021: Rs. 1,134.262 million). Further, the amount and expiry of unused tax losses and tax credits available at year-end for which no deferred tax asset has been recognized are given as follows:

Nature	Rupees	Expiry (Tax Year)
Minimum Tax		
Tax Year 2018	21,016,299	2023
Tax Year 2021	73,875,564	2026
Alternate Corporate Tax		
Tax Year 2019	41,292,892	2029
Tax Year 2020	368,916,554	2030
Nature	Rupees	Expiry (Tax Year)
Unused Tax Losses		
Depreciation / amortization losses	306,954,273	No Expiry

4.10 Employee benefits

4.10.1 Defined benefits plan - unfunded gratuity

Effective from July 01, 2011, the Board reintroduced a unfunded gratuity scheme for all its regular employees who remain in PCB service for a continuous period of 3 years from the date of introduction of this scheme. Employees under the scheme were entitled to the amount equal to last drawn salary multiplied by years of service. Gratuity scheme was discontinued effective May 15, 2020 and liability against the gratuity scheme was fully paid to employees in the prior years.

As per IAS 19, plan obligation is determined by using projected unit credit method, actuarial gain and loss for defined benefit plans are recognized in the other comprehensive income when they occur. Amounts recorded in the statement of income and expenditure are limited to current and past service cost. All other charges in the net defined benefit liability are recognized in the other comprehensive income with no subsequent recycling to the statement of income and expenditure. Any past service cost (vested and non-vested) is recognized immediately in the statement of income and expenditure upon changes in the benefit plans.

4.10.2 Defined contribution plan - employees provident fund

The Board operates employee's provident fund for its permanent employees. Equal monthly contributions at the rate of 8.33% of basic pay are made by both, the PCB and employees to the fund. Any employee who leaves before the span of three years is not entitled to PCB contribution. The charge is recognized in the statement of income and expenditure.

4.10.3 Earned leaves

Entitlement of the employees of the Board to accumulating earned leaves up to a maximum of two years (48 leaves), encashable on retirement or resignation has been discontinued by the Board w.e.f. May 15, 2020. Under the new policy, employees are entitled to accumulate non-encashable earned leaves up to a maximum of 14 working days.

4.11 Lease Liabilities

The Board as a lessee

The Board assesses whether a contract is or contains a lease, at inception of the contract. The Board recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For short term lease leases, the Board recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability against right-of-use asset is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the lessee uses its incremental borrowing rate.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Board as a lessor

Leases for which the Board is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the Board is an intermediate lessor, it accounts for the head lease and the sublease as two separate contracts. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Board's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Boards' net investment outstanding in respect of the leases.

4.12 Creditors and other payables

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

4.13 Financial instruments

Financial instruments comprise due from sponsors, franchisees, boards and associations, short term investments, long term loans, long term security deposits, other receivables, cash and bank balances, creditors and other payables, obligations against the assets subject to finance lease and retention money payable.

Financial assets and liabilities are recognized at the time the Board becomes a party to contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

4.13.1 Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognized financial assets are measured subsequently in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

a) Debt instruments measured at amortized cost

Debt instruments that meet the following conditions are measured subsequently at amortized cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- 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.

Amortized cost and effective interest method

The amortized cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortized cost of a financial asset before adjusting for any loss allowance.

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset.

As at reporting date, the Board carries cash and cash equivalents, due from sponsors, franchisees, boards and associates, other receivables and short term investments at amortized cost.

b) Debt instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments whose objective is achieved by both collecting contractual cash flows and selling financial assets and 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 are measured subsequently at FVTOCI.

As at reporting date, the Board does not hold any debt instrument classified as at FVTOCI.

c) Equity instruments designated as at FVTOCI

On initial recognition, the Board may make an irrevocable election (on an instrument by instrument basis) to designate investments in equity instruments as at FVTOCI.

As at reporting date, the Board does not hold any equity instruments designated at FVTOCI.

d) Financial assets measured subsequently at fair value through profit or loss (FVTPL)

By default, all other financial assets are measured subsequently at FVTPL.

As at reporting date, the Board does not hold any assets classified at FVTPL.

Impairment of financial assets

The board recognises a loss allowance for expected credit losses on financial assets that are measured at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Board recognises lifetime ECL for trade receivables by using simplified approach. For all other financial instruments, the board recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the board measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

The ECL rate for trade receivables is determined based on historical loss rates and varies depending on whether and the extent to which settlement of the trade receivables is overdue and it is also adjusted as appropriate to reflect current economic conditions and estimates of future conditions. The key drivers of the loss rate are the nature of the receivable as well as location and type of customer. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. In assessing whether the credit risk of other financial asset has significantly increased the board takes into account qualitative and quantitative reasonable and supportable forward looking information.

Write-off policy

The Board writes off financial assets against allowance for ECL when there is information indicating that the amount is not recoverable due to the conflict in invoices with customer. Financial assets written off may still be subject to enforcement activities under the board's recovery procedures, taking into account legal advice where appropriate. Any recoveries made against financial assets written-off are recognised in statement of income and expenditure.

Derecognition of financial assets

Financial assets are derecognized when the Board loses control of the contractual rights that comprise the financial asset. The Board loses such control if it realizes the rights to benefits specified in contract, the rights expire or the Board surrenders those rights. Financial liabilities are derecognized when the obligation specified in the contract is discharged, cancelled or expired.

Financial assets and liabilities are set off and the net amount is reported in the financial statements when there is legally enforceable right to set off and the Board intends either to settle on a net basis, or to realize the assets and to settle the liabilities simultaneously.

4.13.1 Financial liabilities

Subsequent measurement of financial liabilities

Financial liabilities that are not:

- a) contingent consideration of an acquirer in a business combination;
- b) held for trading; or
- c) designated as at FVTPL, are measured subsequently at amortized cost using the effective interest method.


The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest cost of a financial liability. Expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortized cost of a financial liability.

Derecognition of financial liabilities

The Board derecognizes financial liabilities when, and only when, the Board's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in statement of income and expenditure.

4.14 Revenue recognition

The Board has applied the five-step model under IFRS 15 – Revenue from contract with customers to determine when to recognize revenue and in what amount by:

- Identifying the contracts with customers.
 - Identifying the separate performance obligations (PO).
 - Determining the transaction price.
 - Allocating the transaction price to the separate PO.
 - Recognizing revenue when each PO is satisfied.
- 

The Board recognizes revenue from the following major sources:

- Sale of international and domestic media rights, after allowance for commission and charges.
- Commercial sponsorship agreements;
- Match income (ticket sales) received for all matches;
- Distributions from external entities;
- Donations and special funds;
- Return on investments; and
- Rental Income.

Revenue from tours and tournaments is recognized in statement of income & expenditure in the period such tours and tournaments are completed, until such period, the amount received if any, is treated as a deferred revenue.

a) International and domestic media rights

The Board enters into agreements with broadcast partners in respect of international and domestic broadcast rights for the viewing of live and archive footage of cricket matches.

Media rights revenue is recognized at the completion of the relevant series covered by the underlying contract. The Board has provided a right to use its intellectual property to the broadcast partners where the control of the rights is transferred to the customer at the point in time a match is completed as defined in the agreement (at which the customer is able to use and benefit from the license).

b) Commercial sponsorships

The Board enters into contracts with customers for the sponsorship of matches, series, teams and services in exchange for promoting the brand of the sponsor. Consideration received under sponsorship agreements may be cash or value in kind goods and services (non-cash). The fair value of non-cash transactions received or expected to be received are included in the total transaction price of the agreement. Value in kind elements are typically specified in the sponsorship agreements and there is no significant judgement involved in estimating such consideration. Revenue is recognized in line with the contractual terms and period.

c) Match income

The Board recognizes revenue from the sale of tickets for cricket matches, less any commission or service charges payable under the contract. Revenue is attributed to the Board at a point in time when each match has been played and is therefore recognized upon completion of the relevant event.

d) Distributions

The Board recognizes distributions received from ICC on receipt basis and amortize it on a straight-line basis over the term of the payment.

e) Donations and specific funds

These are accounted for on receipt basis and donations/special funds in kind, are recognized at their fair value.

f) Return on investments

Return on bank balances and term deposit receipts is recognized on a time-proportion basis using an effective interest rate method.

g) Rental Income

Rental income arising from operating leases is accounted for on straight line basis over the lease terms.

4.15 Pakistan Super League

Tournament related Income and Expenses of the Pakistan Super League are recognized in the statement of income and expenditure in the year in which the tournament is completed. Until then, such Incomes and Expenses are carried in the statement of financial position. Central pool revenues are recorded after giving effect to associated costs and distributions to franchises. Indirect cost incurred by PCB for management of PSL operations is being allocated to PSL on the basis of percentage approved by the Board of Governors which is based upon the extent of individual involvement of PCB officials from various departments into the operations of PSL.

4.16 Contract Assets and Liabilities

In accordance with IFRS - 15:

- A contract asset is recorded when PCB has a right to consideration in exchange for services, transferred to customer; and
- A contract liability is recorded if PCB receives, consideration or has a right to receive consideration that is unconditional (which is earlier).

4.17 Foreign currency transactions

Transactions in foreign currency during the year are initially recorded in the functional currency at the rate prevailing at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at functional currency rate of exchange prevailing at the reporting date. All differences are taken to the statement of income and expenditure.

4.18 Contingencies and commitments

The assessment of the contingencies inherently involves the exercise of significant judgment as the outcome of the future events cannot be predicted with certainty. The management based on the availability of the latest information, estimates the value of contingent assets and liabilities which may differ on the occurrence / non-occurrence of the uncertain future events not wholly within the control of the management.

4.19 Provisions

Provisions are recognised in the statement of financial position when the Board has a legal or constructive obligation as a result of past events and it is probable that outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. However provisions are reviewed at each reporting date and adjusted to reflect current best estimate.

4.20 Transaction with related parties

Transactions with related parties are based on arm's length at normal commercial rates on the same terms and conditions as applicable to third party transactions. Parties are said to be related if they are able to influence operating and financial decisions of the Board.

4.21 Off setting of financial assets and liabilities

A financial asset and a financial liability are offset and the net amount is reported in the financial statements if the Board has a legally enforceable right to set-off the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

	Note	2022 Rupees	2021 Rupees
5. PROPERTY AND EQUIPMENT			
Operating fixed assets	5.1	2,209,508,819	1,543,935,184
Right-of-use assets	5.2	35,693,735	35,863,723
		<u>2,245,202,554</u>	<u>1,579,798,907</u>

5.1 Operating fixed assets

Freehold land	Building on freehold land	Building on leasehold land	Motor vehicles	Flood lights	Furniture, fixtures and office equipment	Electrical equipment	Computer and allied equipment	Ground maintenance equipment	Total
Rupees									

As at July 01, 2021

Cost	50,037	4,610,752	1,969,718,134	321,185,707	348,093,293	345,784,837	627,955,250	48,917,460	134,173,204	3,800,488,674
Accumulated depreciation	-	(4,610,752)	(787,386,289)	(166,061,744)	(346,659,927)	(224,062,546)	(577,713,012)	(35,555,821)	(114,503,399)	(2,256,553,490)
Net book value	50,037	-	1,182,331,845	155,123,963	1,433,366	121,722,291	50,242,238	13,361,639	19,669,805	1,543,935,184

Year ended June 30, 2022

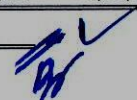
Opening net book value	50,037	-	1,182,331,845	155,123,963	1,433,366	121,722,291	50,242,238	13,361,639	19,669,805	1,543,935,184
Additions during the year	-	-	1,991,577	25,117,658	-	23,526,565	24,520,539	12,768,920	21,661,193	109,586,452
Transferred to investment Property	(50,037)	(197,109,559)	-	-	-	-	(143,077,873)	-	-	(340,237,469)
Adjustments	-	-	(10,347,577)	-	-	-	-	-	-	(10,347,577)
Transfer from CWIP	-	197,109,559	713,988,928	-	-	-	231,499,965	-	-	1,142,598,452

Disposals

Cost	-	-	-	(10,331,302)	-	-	-	(1,299,117)	-	(11,630,419)
Accumulated depreciation	-	-	-	7,376,535	-	-	-	1,185,515	-	8,562,050
	-	-	-	(2,954,767)	-	-	-	(113,602)	-	(3,068,369)
Depreciation charge for the year	-	-	(87,119,429)	(55,827,255)	(500,032)	(43,690,095)	(27,194,016)	(8,806,583)	(9,820,444)	(232,957,854)
Net book value	-	-	1,800,845,344	121,459,599	933,334	101,558,761	135,990,853	17,210,374	31,510,554	2,209,508,819

As at June 30, 2022

Cost	-	-	2,675,351,062	335,972,063	348,093,293	369,311,402	740,897,881	60,387,263	155,834,397	4,685,847,361
Accumulated depreciation	-	-	(874,505,718)	(214,512,464)	(347,159,959)	(267,752,641)	(604,907,028)	(43,176,889)	(124,323,843)	(2,476,338,542)
Net book value	-	-	1,800,845,344	121,459,599	933,334	101,558,761	135,990,853	17,210,374	31,510,554	2,209,508,819
Depreciation rate %	-	5	5	20	20	20	20	33.33	20	



	Freehold land	Building on freehold land	Building on leasehold land	Motor vehicles	Flood lights	Furniture, fixtures and office equipment	Electrical equipment	Computer and allied equipment	Ground maintenance equipment	Total
	Rupees									
As at July 01, 2020										
Cost	50,037	4,610,752	1,824,059,306	267,729,201	348,093,293	301,300,820	620,239,556	38,177,722	115,899,577	3,520,160,264
Accumulated depreciation	-	(4,610,752)	(706,363,905)	(119,123,970)	(346,109,884)	(184,655,051)	(549,596,841)	(30,916,952)	(110,922,331)	(2,052,299,686)
Net book value	50,037	-	1,117,695,401	148,605,231	1,983,409	116,645,769	70,642,715	7,260,770	4,977,246	1,467,860,578
Year ended June, 2021										
Opening net book value	50,037	-	1,117,695,401	148,605,231	1,983,409	116,645,769	70,642,715	7,260,770	4,977,246	1,467,860,578
Additions during the year	-	-	16,169,281	55,225,308	-	44,484,017	4,913,268	11,374,014	18,273,627	150,439,515
Transfer from CWIP	-	-	129,489,547	-	-	-	2,802,426	-	-	132,291,973
Disposals										
Cost	-	-	-	(1,768,802)	-	-	-	(634,276)	-	(2,403,078)
Accumulated depreciation	-	-	-	1,768,802	-	-	-	482,796	-	2,251,598
	-	-	-	-	-	-	-	(151,480)	-	(151,480)
Depreciation charge for the year			(81,022,384)	(48,706,576)	(550,043)	(39,407,495)	(28,116,171)	(5,121,665)	(3,581,068)	(206,505,402)
Net book value	50,037	-	1,182,331,845	155,123,963	1,433,366	121,722,291	50,242,238	13,361,639	19,669,805	1,543,935,184
As at June 30, 2021										
Cost	50,037	4,610,752	1,969,718,134	321,185,707	348,093,293	345,784,837	627,955,250	48,917,460	134,173,204	3,800,488,674
Accumulated depreciation	-	(4,610,752)	(787,386,289)	(166,061,744)	(346,659,927)	(224,062,546)	(577,713,012)	(35,555,821)	(114,503,399)	(2,256,553,490)
Net book value	50,037	-	1,182,331,845	155,123,963	1,433,366	121,722,291	50,242,238	13,361,639	19,669,805	1,543,935,184
Depreciation rate %	-	5	5	20	20	20	20	33.33	20	

5.1.1 Operating fixed assets include assets having cost of Rs. 1,605,698,458 (2021: Rs. 1,504,354,936) that have been fully depreciated.

- 5.1.2 PCB has capitalized certain costs in connection with construction and installation of civil works, flood lights and electric screens and equipment at Rawalpindi Cricket Stadium, Iqbal Cricket Stadium Faisalabad, National Cricket Academy Lahore and Ghari Khuda Buksh Cricket Stadium while lease agreements in respect of such stadiums / academy have not been finalized yet with concerned government departments. Stadium wise break-up of cost of such assets is as follows:

	June 30, 2022				June 30, 2021
	Buildings	Flood lights	Electric screens / equipment	Total	
----- Rupees -----					
Stadiums / Academy					
Rawalpindi Cricket Stadium	449,581,469	34,941,463	62,615,556	547,138,488	556,526,690
Iqbal Cricket Stadium, Faisalabad	-	71,722,078	62,275,720	133,997,798	133,997,798
National Cricket Academy, Lahore	80,374,395	1,000,215	-	81,374,610	82,435,690
Ghari Khuda Buksh Cricket Stadium	105,417,111	-	-	105,417,111	105,417,111
	635,372,975	107,663,756	124,891,276	867,928,007	878,377,289

5.2 Right-of-use assets

Right of use assets comprise of land relating to cricket stadiums. The term of lease agreements executed between PCB and government departments in respect of PCB's cricket stadiums are as tabulated below. Right-of-use assets is being depreciated over the remaining lease terms.

Stadium	Lessor	Date of lease agreement	Period of lease	on fee for commercial use of land	Annual Lease Rentals Rupees
Gaddafi Stadium Lahore	Government of Punjab	5-May-95	40 years	20%	1,000
National Stadium Karachi	Government of Pakistan	7-Aug-19	99 years	-	5,057,800
Abbottabad Cricket Stadium	Government of Khyber Pakhtunkhwa	14-Sep-01	45 years	20%	7,500
Bugti Cricket Stadium	Government of Baluchistan	31-Jul-01	40 years	20%	1,000
Niaz Stadium Hyderabad	District Government Hyderabad	28-Jun-07	30 years	20%	50,000
Multan Cricket Stadium	Multan Cricket Organization Trust	8-Nov-12	10 years	40%	80,000
Mirpur Cricket Stadium	Mirpur Development Authority	14-Jul-08	30 years	20%	50,000

- 5.2.1 Particulars disclosed above in respect of National Stadium Karachi are related to allotted 104.5 acres of land, out of which 59.8 acres of land is not in possession of the Board

PAKISTAN CRICKET BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022



5.2.2 Movement of right-of-use assets

	Cost			Accumulated depreciation			Net book value
	Opening balance	Additions	Closing balance	Opening balance	Depreciation for the year	Closing balance	
	----- Rupees -----						
Right-of-use assets - June 30, 2022	36,718,180	327,625	37,045,805	854,457	497,613	1,352,070	35,693,735
Right-of-use assets - June 30, 2021	36,718,180	-	36,718,180	408,475	445,982	854,457	35,863,723

6. CAPITAL WORK-IN-PROGRESS

	Note	2022 Rupees	2021 Rupees
Capital work-in-progress	6.1	48,612,595	1,088,892,247
Advance against capital work-in-progress		3,240,000	8,014,491
		<u>51,852,595</u>	<u>1,096,906,738</u>

6.1 Capital work-in-progress

	June 30, 2022					Total
	Rawalpindi Cricket Stadium	National Cricket Academy	Islamabad Cricket Stadium	National Stadium Karachi	Cricket House	
	----- Rupees -----					
Opening balance	-	53,743,689	61,287,105	769,354,727	270,924,925	1,155,310,446
Additions	-	-	-	33,056,293	69,262,507	102,318,800
Transfer to operating fixed assets	-	-	-	(802,411,020)	(340,187,432)	(1,142,598,452)
	-	53,743,689	61,287,105	-	-	115,030,794
Accumulated impairment						
Opening balance	-	5,131,094	61,287,105	-	-	66,418,199
Charge during the year	-	-	-	-	-	-
	-	5,131,094	61,287,105	-	-	66,418,199
Closing balance	-	48,612,595	-	-	-	48,612,595

PAKISTAN CRICKET BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022



	June 30, 2021					
	Rawalpindi Cricket Stadium	National Cricket Academy	Islamabad Cricket Stadium	National Stadium Karachi	Cricket House	Total
	----- Rupees -----					
Opening balance	135,583,033	53,743,689	61,287,105	686,819,903	213,350,025	1,150,783,755
Additions	987,890	-	-	82,534,824	57,574,900	141,097,614
Adjustment	(4,278,950)	-	-	-	-	(4,278,950)
Transfer to operating fixed assets	(132,291,973)	-	-	-	-	(132,291,973)
	-	53,743,689	61,287,105	769,354,727	270,924,925	1,155,310,446
<i>Accumulated impairment</i>						
Opening balance	18,204,647	5,131,094	61,287,105	-	-	84,622,846
Transfer	(18,204,647)	-	-	-	-	(18,204,647)
	-	5,131,094	61,287,105	-	-	66,418,199
Closing balance	-	48,612,595	-	769,354,727	270,924,925	1,088,892,247

- 6.2 PCB is in process of capitalizing cost of civil works in connection with the construction of National Cricket Academy Lahore, while lease agreement in respect of the academy has not been finalized yet with concerned government departments.
- 6.3 During 2010, M/S Iqbal.A.Nanji & Co Private Limited, independent professional valuer, assessed the realizable value of civil works and as a result an impairment loss continues to be recognized against the capital work in progress in these financial statements. Currently, works on certain projects is suspended and the Board intends to resume construction on these projects in near future.
- 6.4 An MOU was executed on 7th day of May 2012 between CDA and PCB with respect to Islamabad Cricket Stadium. In 2016, CMA No. 4295 was filed in SMC No. 20/2007 challenging the handing over of the land to PCB stating that the same was part of the Margalla Hill National Park Area. On June 07, 2018, an Order was passed by the Honorable Supreme Court of Pakistan to the effect that the MoU signed between CDA and PCB was declared void-ab-initio and the amount paid by PCB as security to CDA was forfeited for the restoration of the land to its original state. Accordingly, the possession of the land has been taken over by CDA and impairment provision has been recognized for the costs incurred on the land.

7. INVESTMENT PROPERTY

	Note	Cost			Accumulated depreciation			Net book value	Annual depreciation rate
		As at July 01, 2021	Transfer from operating fixed assets	As at June 30, 2022	As at July 01, 2021	Depreciation charged for the year	Transfer / Adjustment		
		----- Rupees -----							%
Freehold land		-	50,037	50,037	-	-	-	50,037	-
Building on freehold land	7.1	-	344,798,184	344,798,184	-	32,059,211	4,610,752	308,128,221	5 & 20
June 30, 2022		-	344,848,221	344,848,221	-	32,059,211	4,610,752	308,178,258	
June 30, 2021		-	-	-	-	-	-	-	

7.1 The Board as a lessor has entered into an operating lease on its investment property at Cricket House. The lease has a term of 3 years. The Board has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

The Cricket House is located on 20-A, Shadman Colony, Jail Road, Lahore. It comprises of 1st floor (9,250 sq. ft), 2nd floor (10,597 sq. ft), 3rd floor (10,598 sq. ft) and 4th floor (10,598 sq. ft) having a total covering area of 41,043 sq. ft.

7.2	Amount recognized in statement of income and expenditure:	Note	2022 Rupees	2021 Rupees
	- Rental income	26	<u>33,664,064</u>	<u>-</u>
	- Depreciation	36	<u>32,059,211</u>	<u>-</u>

Within one year	After one year but not more than five years	More than five years
----- Rupees -----		

7.3 As of the reporting date, the amounts in the table represent the projected minimum rentals due under operational leases:

- Undiscounted future cashflows

<u>60,616,179</u>	<u>93,837,448</u>	<u>-</u>
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7.4 The fair value of investment property as at June 30, 2022 ranges between Rs. 1,579 million to Rs. 1,930 million. The fair value of the investment property has been determined on the basis of readily available current market information after making relevant inquiries by the Infrastructure and Real Estate Department of the Board.

8. INTANGIBLE ASSETS

Software licenses and website
Advance against computer software

Note	2022 Rupees	2021 Rupees
	<u>241,429</u>	1,261,849
	<u>12,352,062</u>	2,483,264
	<u>12,593,491</u>	<u>3,745,113</u>

8.1 Software licenses and website

	Cost			Amortization			Net book value	Annual amortization rate
	Opening balance	Additions / adjustments	Closing balance	Opening balance	Amortization / Adjustments for the Year	Closing balance		
	----- Rupees -----							%
Software licenses and website - June 30, 2022	<u>13,557,734</u>	<u>348,000</u>	<u>13,905,734</u>	<u>12,295,885</u>	<u>1,368,420</u>	<u>13,664,305</u>	<u>241,429</u>	<u>33.33</u>
Software licenses and website - June 30, 2021	<u>13,108,691</u>	<u>449,043</u>	<u>13,557,734</u>	<u>11,300,040</u>	<u>995,845</u>	<u>12,295,885</u>	<u>1,261,849</u>	<u>33.33</u>

8.2 The Board has entered into a contract for implementation of Microsoft Dynamics 365. The balance represents cost incurred till date and the amortization will be charged once the implementation is completed

9.	LONG-TERM INVESTMENT	Note	2022	2021
			Rupees	Rupees
			<u>2022</u>	<u>2021</u>
			<u>Number of shares</u>	
			<u>3,750</u>	<u>3,750</u>
	Ordinary shares of Rs. 10/- each	9.1	<u><u>37,500</u></u>	<u>37,500</u>

9.1 It represents the investment in an associate, Avant Hotels (Private) Limited. The Board holds 37.5% equity of the associate. Summarized financial information of the associate is as follows:

	<i>Un-audited</i>	
	June 30, 2022 Rupees	December 31, 2022 Rupees
Total Assets	37,899	37,899
Total Liabilities	14,156,352	13,266,661
Loss for the period	(889,691)	(1,682,482)
Cash and cash equivalents	37,899	37,899

Board's share of the associate's post acquisition losses amounting Rs. 5,331,920 (2021: Rs. 4,998,286), restricted up to the cost of the investment, is not recognized as management considered that it would have immaterial impact on the financial statements.

10.	DUE FROM SPONSORS, FRANCHISEES, BOARDS AND ASSOCIATIONS	Note	2022	2021
			Rupees	Rupees
	Unsecured:			
	<i>Due from sponsors:</i>			
	- Considered good		3,139,299,516	2,390,004,910
	- Considered doubtful		846,883,443	846,883,443
			3,986,182,959	3,236,888,353
	Due from Franchisees		64,870,719	78,442,260
	<i>Due from Boards and Associations:</i>			
	- Considered good		274,163,776	6,742,089
	- Considered doubtful		4,709,912	4,709,912
			278,873,688	11,452,001
			4,329,927,366	3,326,782,614
	Less: Allowance for expected credit losses	10.1	851,593,355	851,593,355
			<u><u>3,478,334,011</u></u>	<u>2,475,189,259</u>

10.1	Allowance for expected credit losses		2022	2021
	Balance as at July 01,		851,593,355	688,210,624
	Provided for the year		-	163,382,731
	Balance as at June 30,		<u><u>851,593,355</u></u>	<u>851,593,355</u>

11. LOANS AND ADVANCES	Note	2022 Rupees	2021 Rupees
Unsecured:			
<i>Advances to employees:</i>			
- Considered good		159,678,794	49,047,687
- Considered doubtful		10,469,103	4,839,471
		170,147,897	53,887,158
<i>Advance to suppliers:</i>			
- Considered good		184,735,804	244,923,223
- Considered doubtful		27,425,756	11,507,036
		212,161,560	256,430,259
<i>Advances to players:</i>			
- Considered good		108,224,327	8,152,693
- Considered doubtful		7,207,606	4,873,955
		115,431,933	13,026,648
		497,741,390	323,344,065
Less: Allowance for expected credit losses	11.1	45,102,465	21,220,462
		452,638,925	302,123,603
11.1 Allowance for expected credit losses			
Balance as at July 01,		21,220,462	21,220,462
Provided for the year		40,494,025	-
Reversed during the year		(16,612,022)	-
Balance as at June 30,		45,102,465	21,220,462
12. SHORT-TERM PREPAYMENTS			
Prepaid expenses		7,632,305	24,469,950
Prepaid insurance		2,109,243	1,371,611
		9,741,548	25,841,561
13. OTHER RECEIVABLES			
Accrued profit on bank accounts and term deposit receipts		456,537,381	162,681,868
<i>Accrued rentals:</i>			
- Considered good	13.1	120,067,266	71,046,495
- Considered doubtful		7,243,057	7,243,057
		127,310,323	78,289,552
Others - Considered doubtful		13,907,895	13,907,895
		597,755,599	254,879,315
Less: Allowance for expected credit losses		21,150,952	21,150,952
		576,604,647	233,728,363

13.1 It includes lease rentals amounting to Rs. 3.789 million (2021: Rs. 2.778 million) due from Avant Hotel (Private) Limited, a related party.

	Note	2022 Rupees	2021 Rupees
14. TAXATION - NET			
Opening balance - net of provision for taxation		465,269,325	278,633,967
Advance tax paid/deducted during the year		504,290,137	266,476,997
		<u>969,559,462</u>	<u>545,110,964</u>
Less: Provision for taxation during the year	38.1	(369,589,451)	(79,841,639)
Prior taxation	38.2	(23,817,734)	-
		(393,407,185)	(79,841,639)
		<u>576,152,277</u>	<u>465,269,325</u>
15. SHORT-TERM INVESTMENTS			
<i>Investments held at amortized cost:</i>			
- Term deposit receipts (Foreign currency)	15.1	1,648,000,000	633,200,000
- Term deposit receipts (Local currency)	15.2	13,990,947,381	12,505,947,381
		<u>15,638,947,381</u>	<u>13,139,147,381</u>
15.1	It included term deposits amounting to US \$ 8.00 million (2021: US \$ 4.00 million) having interest rates ranging from 1.5% to 3.45% (2021: 0.25% to 0.80%) per annum and maturity ranging from 1 to 3 months.		
15.2	These represent term deposits placed in local currency with different banks at interest rates ranging from 7.10% to 16.25% (2021: 6.50% to 13.50%) per annum and have maturity ranging from 3 to 12 months.		
16. CASH AND BANK BALANCES	Note	2022 Rupees	2021 Rupees
Cash in hand		22,776	130,539
Cash at bank - saving accounts	16.1	1,438,267,295	563,956,849
		<u>1,438,290,071</u>	<u>564,087,388</u>
16.1	These include foreign currency balance of US \$ 1,802,269 (2021: US \$ 613,584) and carry interest rates ranging from 6.25% to 12.75% (2021: 5% to 6.25%) per annum.		
17. LONG-TERM LIABILITIES			
Employee benefits - unfunded gratuity	17.1	-	-
Lease liabilities	17.2	32,278,463	32,037,691
Retention money payable		-	27,615,149
		<u>32,278,463</u>	<u>59,652,840</u>

	Note	2022 Rupees	2021 Rupees
17.1 Employee benefits - unfunded gratuity			
<i>Movement in plan obligation:</i>			
- Liability at the beginning of the year		-	287,518,512
- Charge for the year	17.1.1	-	871,963
		-	288,390,475
Less: Paid during the year		-	(288,390,475)
Liability at the end of the year		<u>-</u>	<u>-</u>
17.1.1 Charge for the year			
Current service cost		-	871,963
		<u>-</u>	<u>871,963</u>
17.2 Lease liabilities			
Minimum lease payments			
As at the beginning of the year		49,302,742	44,170,142
Recognized during the year		685,958	-
Interest expense for the year		5,259,318	5,132,600
As at the end of the year		55,248,018	49,302,742
Less: Current portion of lease liabilities	20	22,969,555	17,265,051
Non-current portion of lease liabilities		<u>32,278,463</u>	<u>32,037,691</u>
17.3	Expected maturity analysis of undiscounted future contractual cash flows is as below:		
		2022 Rupees	2021 Rupees
- Less than a year		5,247,300	5,197,300
- Between 1-5 years		20,989,200	20,789,200
- Over 5 years		478,513,339	465,750,849
		504,749,839	491,737,349
Less: Future finance cost		(449,501,821)	(442,434,607)
Present value of finance lease liabilities		<u>55,248,018</u>	<u>49,302,742</u>
17.4	The incremental borrowing rate used as discounting factor for lease liabilities was 14% (2021: 14%).		

18. DEFERRED REVENUE	Note	2022 Rupees	2021 Rupees
Rent received against lease of shops	18.1	30,623,515	33,979,179
Advance in respect of sponsorship and TV rights	18.2	1,917,561,944	361,448,016
		1,948,185,459	395,427,195
Less: Current portion			
- Rent received against lease of shops	20	3,355,664	3,355,664
- Contract liability in respect of sponsorship and TV rights	20	1,317,116,322	296,421,855
		1,320,471,986	299,777,519
		<u>627,713,473</u>	<u>95,649,676</u>

18.1 Certain shops at Gaddafi Stadium Lahore have been sub leased for a period of 30-38 years, for which the lease money was received in advance. The carrying value represents the sum received in advance for the remaining period of the leased term.

18.2 This relates to contract liability against Bilateral Series and Pakistan Super League Broadcasting rights, and advances received from Habib Bank Limited, Pepsi Cola International and Trans Group FZE.

19. TRADE AND OTHER PAYABLES	Note	2022 Rupees	2021 Rupees
Creditors		1,359,818,897	675,141,048
Payable to contractors and consultants		92,472,447	65,598,967
Commercialization fee payable		28,865,249	23,597,939
Payable to boards and associations		131,100,229	460,352,584
Payable to franchisees		475,656,955	606,296,391
Payable to players		201,353,301	444,771,270
Accrued liabilities	19.1	3,045,845,270	763,722,633
Retention money of contractors		80,684,990	68,875,595
Withholding tax payable		51,334,207	28,719,346
Payable to Surrey County	19.2	4,838,019	4,838,019
Recoveries under PCB vehicle policy	19.3	13,923,269	11,191,923
Others		46,206,703	51,819,765
		<u>5,532,099,536</u>	<u>3,204,925,480</u>

19.1 It includes Rs. 3,005.57 million (2021: Rs. 665.863 million) due for distribution to Franchises in the next Financial year on account of Central Pool Income relating to Pakistan Super League.

19.2 It represents unutilized amount received from Surrey County, England regarding development of cricket in northern areas of Pakistan.

19.3 It represents recoveries against cars allocated to employees of PCB in Scale FH-1 & FH-2 under "Pakistan Cricket Board Vehicle Policy, 2012". Employees are entitled to purchase the allocated cars by paying the purchase price in monthly installments over the period of five years. However, the employees have the option to pay off the entire purchase amount before the expiry of five years period.

20. CURRENT PORTION OF LONG-TERM LIABILITIES AND DEFERRED REVENUE	Note	2022 Rupees	2021 Rupees
Lease liabilities	17.2	22,969,555	17,265,051
Deferred revenue:			
- Rent received against lease of shops	18	3,355,664	3,355,664
- Contract liability in respect of sponsorship and TV right	18	1,317,116,322	296,421,855
		1,343,441,541	317,042,570

21. CONTINGENCIES AND COMMITMENTS

21.1 Contingent liabilities

- 21.1.1** Some ex-employees of PCB have filed law suits against their termination, which are pending for adjudication. The Board's legal advisor is of the view that PCB has good arguable cases but the outcome/decision of any subjudice matter lies with the courts in which the cases are pending. Accordingly, no provision for the same has been made in these financial statements.
- 21.1.2** Two separate suits for recovery have been instituted by and against PCB and an ex-chairman (and vice versa) involving claim of profits and costs amounting to Rs. 7.274 million and Rs. 14.181 million respectively. The Board's legal advisor is of the view that PCB has a reasonably strong position in both of the suits instituted by and against PCB, but the assessment of potential loss at this stage cannot be made, as both the suits are pending litigation.
- 21.1.3** Various suits have been filed by and against the PCB versus ex-chairman of the PCB for recovery of different amounts including profits and costs, against invalid or lawful actions and payments against alleged vehicle allowance, accommodation allowance and daily allowance, or payable to other party against the services rendered by him in favor of the PCB. These suits are pending adjudication at the honorable Civil Court Lahore. These financial statements does not include any adjustment with respect to these cases, as the probability and amount of inflow/outflow is not determinable at this stage.
- 21.1.4** As referred to in note 5.1.2 and 6.2, lease agreements in respect of Rawalpindi Cricket Stadium, Iqbal Cricket Stadium Faisalabad, Ghari Khuda Buksh Stadium and National Cricket Academy Lahore have not been finalized with government departments and currently no related liability can be determined reliably. The related liability, if any, would be recognized in the subsequent financial statements. However, the management does not anticipate any significant adjustments.
- 21.1.5** Through orders dated May 29, 2013 and June 13, 2013, Deputy Commissioner Inland Reveue (DCIR) concluded proceedings under section 161/205 of the Income Tax Ordinance, 2001 by raising tax demand amounting to Rs. 310.500 million and Rs. 291.100 million for the tax year 2011 and 2012 respectively. Feeling aggrieved the Board filed appeals before Commissioner Inland Revenue Appeals [CIR(A)]. Pursuant to the CIR(A) orders dated June 25, 2013 and October 30, 2013 for tax year 2011 and 2012 respectively, the DCIR filed appeals before the Appellate Tribunal Inland Revenue, which were concluded vide Appellate Tribunal order dated February 28, 2014. The DCIR further filed reference against the said order before the Honorable Lahore High Court (LHC). The matter is still pending for adjudication. The Management of PCB is confident that this will not result in outflow of resources, consequently no provision is recognized in these financial statements.
- 21.1.6** The FBR issued two notices dated June 6, 2017 and June 7, 2017 for tax year 2016 and 2015 respectively regarding collection of tax under section 236A of the Income Tax Ordinance, 2001. In response to these notices, the Board filed writ petitions before the Lahore High Court (LHC) where the honorable court vide order dated October 21, 2020 directed the DCIR to decide the legal objections raised by the Board. Subsequently, vide orders dated December 09, 2020, the DCIR raised tax demand of Rs. 157.00 million and Rs. 299.00 million for tax year 2015 and 2016 respectively. Feeling aggrieved the Board filed appeal before the Commissioner Inland Revenue Appeals CIR(A), who wide his order dated April 14, 2022 deleted the tax demand while charged minimum penalty of Rs. 10,000 raised u/s 236A. Being aggrieved, both the Board and the CIR(Legal), LTU, filed cross appeals before Honorable ATIR against the CIR(A) order. The honorable ATIR vide its order dated 26.10.2022 has confirmed the order of CIR(A). The management is confident of favorable outcome and no outflow of resources is expected, consequently no provision recognized in these financial statements.

- 21.1.7** Additional Commissioner Inland Revenue Audit (ADCIR) initiated proceedings through notice issued in March 2015 under section 122 of the Income Tax Ordinance, 2001 for the tax year 2011. The amendment proceedings were concluded vide order dated June 28, 2016 against which the PCB filed appeal before the CIR(A). The CIR(A) in his order dated October 23, 2018 deleted the additions made by DCIR on account of exchange loss and minimum tax u/s 113, however confirmed the addition on account of provision of doubtful debts of Rs.59.600 million. Being aggrieved, both the PCB and DCIR filed appeal before Appellate Tribunal Inland Revenue against the CIR(A) order.

The honorable ATIR has decided both the appeals in favor of the PCB dated December 12, 2021. The (CIR (Legal), LTO Lahore) FBR, feeling aggrieved, has filed a reference in the Honorable High Court against the ATIR order and the case is pending for hearing. The amount intended by the CIR (Legal) in the reference is Rs. 0.177 million. The management is confident of the favorable outcome, consequently no provision is recognized in these financial statements.

- 21.1.8** Through DCIR notices dated 22 May 2018 for tax years 2015 and 2016 proceedings were initiated for levy of super tax under section 4B of the Ordinance. The proceedings were concluded by orders dated June 28, 2018. Pursuant to which PCB filed an appeal before CIR(A) who annulled the case vide order dated June 27, 2019. Subsequently, the DCIR amended the assessment orders for 2015 and 2016 and issued orders for tax years 2017 & 2018 with an aggregate tax demand of Rs. 264.600 million. Feeling aggrieved, PCB filed appeals before CIR(A) who vide its order dated 28 May 2020 nullified the tax demand for TY 2015, 2017 and 2018 and reduced the tax demand to Rs. 23.818 million for TY 2017.

Being aggrieved with the order of the CIR(A), PCB filed an appeal before Appellate Tribunal Inland Revenue (ATIR) who vide its order dated November 08, 2021 confirmed the orders of CIR(A). The CIR (Legal, LTO has filed reference in the Honorable Lahore High Court against the orders of ATIR in the matter of charging super tax on receipt amount rather than on net income and the case is pending for adjudication. Management is confident that there will be no outflow of resources, consequently, no provision is recognized in these financial statements.

- 21.1.9** Additional Commissioner Punjab Revenue Authority through show cause notice dated December 29, 2018 initiated proceedings under section 24 of Punjab Sales Tax Act, 2012 for tax year 2016 and 2017 having sale tax amount of Rs. 528.820 million. Along with filing a detailed response with the Punjab Revenue Authority (PRA), PCB filed writ petition before the Honorable Lahore High Court against the impugned show cause notice. Pursuant to the directions of the Lahore High Court, PCB filed a de-registration application before the PRA. The PRA declined this application vide its order, dated September 15, 2020. PCB has now filed a writ petition against the Punjab Revenue Authority claiming that it is not liable to pay sales tax under the Punjab Sales Tax on Services Act 2012. The Honorable Judge grant interim relief to the PCB. The Case was last fixed for hearing before Honorable Lahore High Court on December 06, 2022 however, next date of hearing has yet been fixed in this petition. These financial statements do not reflect any adjustment related thereto, as the matter is subjudice before the Honorable Court.

- 21.1.10** Under the Finance Act, 2022, super tax at the prescribed tax rates of up to 4% for tax year 2022 and subsequent tax years has been levied on the income of high earning persons through section 4C of the Income Tax Ordinance, 2001 (the Ordinance). As per the directions of the Honorable Supreme Court of Pakistan in order dated 06.02.2023 the FBR has issued notice dated February 23, 2023 demanding the Board to pay 50% of the Super tax liability for tax year 2022. The Board feeling aggrieved filed an intra court appeal in the Honorable Lahore High Court. The hearing proceedings have not been finalized yet. Management is confident of favorable outcome, consequently no provision is recognized in these financial statements.

- 21.1.11** An MOU was executed on May 07, 2012 between CDA and PCB with respect to Islamabad Cricket Stadium. In 2016, CMA No. 4295 was filed in SMC No. 20/2007 challenging the handing over of the land to PCB stating that the same was part of the Margalla Hill National Park Area. On June 07, 2018 an Order was passed by the Honorable Supreme Court of Pakistan to the effect that the MoU signed between CDA and PCB was declared void ab initio and the amount paid by PCB as security to CDA was forfeited for the restoration of the land to its original state. Accordingly, the possession of the land has been taken over by CDA and impairment provision has been recognized for the costs incurred on the land in these financial statements.

21.1.12 Blitz Advertising (Private) Limited filed a civil suit before the honorable Civil Court Lahore, seeking inter alia, an injunction against an encashment of an Insurance Bond, amounting Rs. 1,056.979 million submitted to PCB against security for payments by the Company for the media rights agreements relating to Pakistan Super League 2020. An interim injunction was granted by the Honorable Court against PCB. The PCB later filed an appeal before the District Court Lahore against the ad-interim injunction, which was dismissed on July 13, 2020.

The PCB filed a writ petition bearing no. 34162 of 2020 before the honorable Lahore High Court, Lahore, which later set aside the District Court's order and directed the Civil Court Lahore to decide the stay application within a period of 30 days. The Civil Court Lahore dismissed the application of Blitz.

However, the claimant file a writ petition no. 56592 of 2020 before the honorable Lahore High Court, Lahore and it was ordered by the honorable high court that the parties "maintain a status quo". The case was later withdrawn by Blitz on May 23, 2022. The arbitration proceedings under Section 34 of the Arbitration Act, 1940 are in process before the London court of International Arbitration (LCIA).

21.1.13 Blitz Advertising (Private) Limited initiated two separate arbitrations before the LCIA pursuant to PSL Television Broadcast Media Rights Agreement (Pakistan Region) for 2019-21, bearing LCIA No. 204806 and the PSL Live Streaming Media Rights Agreement (Pakistan Region) for 2019-21, bearing LCIA No. 204859, seeking inter alia a declaration that payments demanded by PCB pursuant to the aforementioned agreements in relation to the PSL 2020 were illegal and an injunction against the encashment of the aforementioned insurance bond by PCB amounting Rs. 1,056.979 million. Both of these arbitration proceedings were consolidated into a single arbitration. PCB brought counter claims, inter alia, for the principal outstanding amount i.e. Rs. 1,452.326 million under the PSL Television Broadcast Media Rights Agreement and Rs. 222.552 million under the PSL Live Streaming Media Rights Agreement in addition to late payment interest due perusal to the aforementioned agreements amounting Rs. 23.955 million and Rs. 5.631 million and also the damages suffered by the Board as a result of the actions of Blitz. The sole arbitrator issued a final award dated December 16, 2021, wherein inter alia, all of the claims of Blitz were rejected and most of the counter-claims by the PCB were accepted and furthermore amounts of Rs. 630.849 million, US\$837,890, UK£42,462, Rs.3.000 million Rs. 0.069 million, Rs. 0.701 million and Rs. 0.049 million were awarded to PCB. Subsequently, the PCB moved an application under Section 14 and 17 of the Arbitration Act, 1940 before the honorable Civil Court, Lahore to have the aforementioned LCIA final award, dated December 16, 2021, made the rule of the court

21.1.14 The PCB initiated two separate arbitrations against Techfront International FZE, before the LCIA pursuant to PSL Television Broadcast Media Rights Agreement (for all regions other than the Pakistan Region) for 2019-21, bearing LCIA No. 204854 and the PSL Live Streaming Media Rights Agreement (for all regions other than the Pakistan Region) for 2019-21, bearing LCIA No. 204855, seeking inter alia a declaration that payments amounting US\$ 1,125,000/- in addition to late payment interest (under the TV agreement) and US\$ 250,000/- in addition to the late payment interest (under the Live Streaming Agreement. Both of these arbitration proceedings were consolidated into a single arbitration.

The sole arbitrator (hearing the aforementioned arbitration between Blitz and PCB), was appointed by LCIA who issued a final award dated November 25, 2021, wherein inter alia, all of the claims of the PCB were accepted and amounts of US\$ 1,033,432.08, US\$ 229,200.48, UK£ 46,189.85, Rs. 3.000 million Rs. 0.035 million Rs. 0.701 million and Rs. 0.049 million were awarded to PCB. The arbitrator earlier gave an interim award, dated June 04, 2021, pursuant to an application moved by the PCB under Articles 24.5 and 24.6 of the LCIA Rules, 2014 due to non-payment by Techfront of its share of the LCIA costs. Pursuant to this award, the arbitrator directed that Techfront pay to the PCB an amount of UK£ 30,344.1 and also rejected the counter claims of the Techfront from the scope of arbitration. Subsequently, the PCB moved two separate applications under Section 14 and 17 of the Arbitration Act, 1940 before the honorable Civil Court, Lahore to have the aforementioned LCIA interim and final award, dated June 04, 2021 and November 25, 2021 respectively, made the rule of the court

21.1.15 Blitz Advertising (Private) Limited initiated two separate arbitrations before the LCIA pursuant to PSL Television Broadcast Media Rights Agreement (Pakistan Region) for 2019-21, bearing LCIA No. 204931 and the PSL Live Streaming Media Rights Agreement (Pakistan Region) for 2019-21, bearing LCIA No. 204932, which were consolidated into a single arbitration.

Due to non payment of the LCIA costs, the arbitrator, through his email dated October 06, 2021, decided to issue a Final Award wherein ordering the withdrawal of Blitz claims. PCB made a submission claiming recovery of costs of the arbitration, which the arbitrator accepted through an award, dated January 06, 2022. Subsequently, the PCB moved an application under Section 14 and 17 of the Arbitration Act, 1940 before the honorable Civil Court, Lahore to have the aforementioned LCIA final award, dated January 01, 2022, made the rule of the court.

21.1.16 The PCB has filed a writ petition no. 4101/2021 before the honorable Lahore High Court, Rawalpindi Bench challenging the demand of the property tax by the Excise Department vide PT-10 challans in respect of Rawalpindi Stadium amounting Rs. 1.679 million. The Honorable Court vide order dated December 21, 2021 issued notices to the Respondents and suspended the operations of the impugned notices. On January 20, 2022, the honorable Court was pleased to dispose off the writ petition with the direction to the respondent to treat the writ petition as Representation and decide the matter in accordance with the law. The honorable Court further held that no coercive measures with regard to property tax shall be taken. The hearing was held before the Director Excise and Taxation, Rawalpindi dated March 17, 2022 who issued an order dated March 30, 2022 and accepted the appeal and PCB was exempted from the payment of property tax in respect of the Rawalpindi Cricket Stadium, Rawalpindi.

21.1.17 M/s Rare Builders (Private) Limited filed an appeal against the PCB before the Independent Adjudicator under Clause 37 of the PCB Constitution. The Appellant claimed that the amount of Rs. 26.446 million on account of work done under the Agreement dated July 29, 2008 for the construction of the Cricket Academy at Multan along with markup and further prayed that the letter dated February 18, 2016 signed by the Chairman to be declared illegal. PCB responded by filing a reply to the Appeal on July 21, 2022, and the learned Independent Adjudicator, vide order dated September 09, 2022 dismissed the Appeal as being withdrawn.

21.1.18 There are a number of cases by or against PCB and various parties including but not limited to various cricket clubs, Pakistan Mobile Communications Limited, Abbott Laboratories Pakistan Limited, and other parties on matters which are pending adjudication at various honorable courts. These financial statements does not include any adjustment because either the cases do not have an underlying financial impact, or the financial impact at this stage is not clear.

21.1.19 DCIR through show cause notice dated 21 May 2016 issued under section 14 of Federal Excise Act 2005, has raised the issue that Pakistan Cricket Board was required to pay Federal Excise Duty (FED) amounting to Rs. 97.7 million on Board's certain income streams. The Board preferred filing a writ petition (W.P no. 28354/2016) before the LHC. The LHC has granted the interim relief and the matter is still pending for adjudication. Management is confident of favorable outcome and no outflow of resources is expected, consequently no provision recognized in these financial statements.

21.1.20 Through computer balloting held on 14 Sept 2015, the case of the Board for the tax year 2014 was selected for income tax audit to be conducted under section 177 of the Ordinance. The Board filed writ petition before the LHC contesting the selection of audit. Pursuant to the judgement dated 1st Jan 2017 of the LHC in WP No. 32597/2015, the DCIR again initiated audit proceedings. Due compliance was made through filing reply letters along with the relevant details/documents. Through order dated 31 Oct 2017 (served on 16 May 2018), the DCIR amended assessment by making an addition of Rs 691.1 million in taxable income in respect of various heads. Board filed appeal with CIR(A) who rejected the submission of Board and maintained the order of DCIR. Feeling aggrieved of the CIR(A) order dated 17 June 2021, the Board has filed an appeal before the Tribunal, which subsequently was decided in favor of the Board through order dated 01 February 2022.

21.1.21 Through notice dated 4 May 2012 issued by Commissioner Inland Revenue (CIR) the tax year 2010 was selected for audit under section 177 of Income Tax Ordinance 2001. The Board filed writ petition before LHC contesting the audit. Pursuant to the LHC judgement dated 17 Nov 2017, DCIR initiated audit proceedings which were concluded vide order dated 30 March 2019 with additions of Rs. 567.6 million in taxable income. The Board being aggrieved on certain issues filed appeal against the impugned order before CIR(A) which is pending adjudication. Management is confident that there will be no outflow of resources, consequently no provision is recognized in these financial statements.

21.1.22 Additional Commissioner Punjab Revenue Authority through show cause notice dated 29 Dec 2018 initiated proceedings under section 24 of Punjab Sales Tax Act 2012 for tax year 2016 & 2017 having **contested** sales tax amount of Rs. 528.8 million. Along with filing a detailed response with the Punjab Revenue Authority (PRA); the Board filed writ petition before the Honorable Lahore High Court against the impugned show cause notice. Pursuant to the directions of the Lahore High Court, PCB filed a de-registration application before the PRA. The PRA declined this application vide its order, dated 15 Sep 2020. PCB has now filed a writ petition against the Punjab Revenue Authority claiming that it is not liable to pay sales tax under the Punjab Sales Tax on Services Act 2012. The Honorable Judge was pleased to grant interim relief to the PCB however the matter is yet to be concluded. The Honorable Judge granted interim relief to the PCB and case proceedings are underway. The Board is hopeful for a favourable outcome of the case. thus not required to record any related provision in the financial statements.

21.1.23 Additional Commissioner LTU, Lahore raised a demand of PKR 46.97 million vide order dated 31 May 2016 relating to tax year 2010 under section 122(5A). Subsequent to PCB appeal before Commissioner Appeal, the CIR (A) vide order # 31 dated 27 Jan 2020 partial relief was given to PCB. Both PCB and DCIR filed cross appeals before Appellate Tribunal Inland Revenue which were subsequently decided in favor of the PCB.

21.1.24 Through Issuance of Orders passed by the DCIR LTU, Lahore dated 23 Dec 2016 for the tax year 2016 & 2017 the impugned demand of Rs. 3 million was created. PCB filed appeals before the CIR (A) against the impugned departmental order and the CIR (A) vide order 10 dated 22 July 2020 confirmed the demand. The board feeling aggrieved filed appeal before Appellate Tribunal Inland Revenue. The hearing proceedings have not been finalized yet. Management is confident of favorable outcome, consequently no provision is recognized in these financial statements.

21.2 Contingent asset

21.2.1 Asian Cricket Council (ACC) sold commercial rights of Asia Cup 2010, 2012 & 2014 to a Singapore entity named Nimbus Sport International (Pte.) Ltd under agreement dated June 7, 2010 (the said Agreement). Subsequently Nimbus Sport International assigned its rights and obligations in the said Agreement to Nimbus Communications Ltd (NCL). Pursuant to the said assignment and the Agreement, NCL was required to pay ACC a sum of USD 21.69 Million as consideration for the commercial rights for the 2014 edition of Asia Cup tournament. By letter dated November 18, 2013 NCL unilaterally terminated the agreement. By that time NCL had given a SBLC equivalent to USD 6.507 million as financial guarantee for their payment obligations. The value of SBLC amounted to USD 6.50 Million being 30% of the Rights Fee. Subsequently, ACC proceeded to sell the subject rights to another broadcaster at a reduced value due to paucity of time since NCL had left at the eleventh hour, jeopardizing the sale of commercial rights for the subject event.

Later on, ACC lodged its claim with Indian Overseas Bank to recover the amount of SBLC but the issuing bank rejected this claim on technical grounds. Thereafter ACC filed a suit in Bombay High Court, India against Indian Overseas Bank to recover USD 6,507,000 due under the SBLC and the case is yet to come for hearing.

In view of above, the amount of USD 6,507,000 pending due to litigation as detailed above, has not been taken into account by ACC while calculating distribution for Asia Cup 2014 among the member boards that includes PCB as well. It is agreed between the ACC Member Boards that once this money is recovered, that too shall be distributed in a similar manner as that of distribution of Asia Cup revenues. Resultantly, PCB has also not booked its one sixth share of this amount as a receivable; pending outcome of the underlying litigation.

21.3 Commitments

There is no commitments as at June 30, 2022 except detailed in note 8.2. (2021: Rs. 488 million)

		2022 Rupees	2021 Rupees
22. REVENUE FROM TOURS INSIDE PAKISTAN AND NEUTRAL VENUES			
TV rights		629,622,906	₹330,844,121
Gate money		104,288,638	-
Sponsorship fee and instadia rights		277,526,359	154,292,320
Radio broadcasting rights		6,244,196	2,542,083
Telephony and audio streaming rights		33,875,418	6,157,321
		<u>1,051,557,517</u>	<u>493,835,845</u>
23. REVENUE FROM TOURNAMENTS - DOMESTIC			
Sponsorship		48,500,000	26,829,628
TV rights		20,030,514	10,850,775
Miscellaneous		1,506,750	865,750
		<u>70,037,264</u>	<u>38,546,153</u>
24. REVENUE FROM TOURNAMENTS - INTERNATIONAL			
Preparation fee	24.1	52,788,750	-
Share of revenue	24.2	2,701,150,002	2,459,310,000
Sponsorship		57,545,907	-
		<u>2,811,484,659</u>	<u>2,459,310,000</u>
24.1	This includes preparation fee relating to ICC Men T-20 World Cup 2021, ICC U-19 World Cup 2022 and ICC Women World Cup 2022 amounting to USD 250,000, USD 25,000 and USD 50,000 respectively (2021: Nil).		
24.2	This includes share of revenue relating to ICC Member's Distribution amounting to USD 15,500,000 (2021: USD 15,000,000).		
25. PAKISTAN SUPER LEAGUE	Note	2022 Rupees	2021 Rupees
Franchise fee		2,670,030,000	2,485,242,000
Other income		100,380,287	118,921,025
Board's share of central pool revenue	25.1	570,837,640	1,205,069,642
		3,341,247,927	3,809,232,667
Less: Share of franchisees - COVID - 19 Relief		-	(1,637,977,346)
		<u>3,341,247,927</u>	<u>2,171,255,321</u>
25.1 Board's share of central pool revenue			
TV rights:			
- Media and radio rights		3,343,853,091	2,514,695,761
- TV production cost		(846,239,231)	(688,194,089)
		2,497,613,860	1,826,501,672
Sponsorship		2,589,862,793	1,331,601,525
Gate money		317,811,045	52,432,044
		<u>5,405,287,698</u>	<u>3,210,535,241</u>
Total central pool revenue		<u>(4,834,450,058)</u>	<u>(2,005,465,599)</u>
Less: Distributed to franchisees		<u>570,837,640</u>	<u>1,205,069,642</u>

26. RENTAL INCOME	Note	2022 Rupees	2021 Rupees
Gaddafi Stadium Lahore - shops		32,616,996	26,058,716
National Stadium Karachi - lands	26.1	1,010,590	1,010,590
		33,627,586	27,069,306
Cricket House Lahore	7.2	33,664,064	-
		67,291,650	27,069,306
26.1 It represents lease rental income from Avant Hotel (Private) Limited, a related party.			
27. RETURN ON INVESTMENTS AND BANK DEPOSITS			
Interest on term deposit receipts:			
- Foreign currency		782,619	3,688,380
- Local currency		1,083,928,331	861,987,062
		1,084,710,950	865,675,442
Interest on bank deposits:			
- Foreign currency		1,429,454	572,590
- Local currency		87,474,468	61,869,645
		88,903,922	62,442,235
		1,173,614,872	928,117,677
28. OTHER INCOME			
Exchange gain - net		323,718,887	-
Players' fine		22,519	4,285,000
Gain on disposal of operating fixed assets		6,507,277	396,990
Coaching course fee		6,522,500	2,162,500
Scrap sales		-	410,452
Miscellaneous		8,163,463	45,624,262
		344,934,646	52,879,204
29. DIRECT EXPENSES RELATED TO TOURS OUTSIDE PAKISTAN			
Players and officials match fee, allowances and incentives		258,014,214	283,095,344
Players related other expenses		36,061,561	63,612,952
Travelling expenses		167,442,815	164,598,856
Accommodation expenses		21,647,244	35,570,549
Others		13,365,555	18,514,653
		496,531,389	565,392,354

30. DIRECT EXPENSES RELATED TO TOURS INSIDE PAKISTAN	Note	2022 Rupees	2021 Rupees
Players match fee, allowances and incentives		165,197,438	123,894,965
Players related other expenses		16,556,309	9,866,565
Travelling expenses		41,887,500	18,093,678
Accommodation expenses		188,276,879	121,866,568
Team and match officials expenses		36,333,790	25,263,765
Event management expenses:			
Advertisement expenses		48,442,022	14,371,941
TV production cost		512,627,376	334,129,551
Match day expenses		28,356,543	10,752,995
Security expenses		138,782,811	44,721,680
Catering expense		121,676,043	28,424,821
Equipment hire rental charges		15,535,226	15,236,287
Players medical expenses		13,840,015	6,941,075
Repair and maintenance		4,843,327	1,957,167
Cleaning and janitorial		3,627,250	1,407,611
Others		8,087,424	3,667,293
		895,818,037	461,610,421
	30.1	<u>1,344,069,953</u>	<u>760,595,962</u>

30.1 These represent expenses related to international series hosted by PCB in Pakistan or at neutral venues. There were 28 match days and 73 tour days in 2022 while 19 match days and 56 tour days in 2021.

31. DIRECT EXPENSES RELATED TO TOURNAMENTS - DOMESTIC	Note	2022 Rupees	2021 Rupees
Players and officials match fee, allowances and incentives		284,496,860	243,070,700
Prize money		35,550,000	34,318,002
Players related other expenses		108,410,927	75,067,248
Travelling		124,164,253	59,800,893
Accommodation		440,908,223	320,481,941
Match and team officials expenses		106,101,795	67,640,927
Fuel and power		9,771,389	11,056,599
Match day expenses		5,108,930	2,094,966
Security expenses		25,368,494	6,204,945
Catering expenses		69,123,140	30,226,827
Committees expenses		2,199,629	1,040,861
Ground rent		11,893,960	4,119,020
Production cost		312,978,882	233,877,367
Marketing and advertisement		12,076,625	35,978,371
Others		5,187,037	7,594,524
	31.1	<u>1,553,340,144</u>	<u>1,132,573,191</u>

31.1 These represent domestic tournaments held by PCB on its own or with collaboration of sponsors in Pakistan

32. DIRECT EXPENSES RELATED TO TOURNAMENTS - INTERNATIONAL	Note	2022 Rupees	2021 Rupees
Players match fee, allowances and incentives		67,598,615	-
Players related other expenses		31,776,678	3,267,718
Officials match fee, allowances and incentives		17,314,223	25,924
Travelling		18,873,586	239,250
Accommodation		63,023,220	1,430,877
Match day expenses		12,846,010	420,753
Catering expenses		12,162,500	240,110
Others		13,898,078	112,777
	32.1	237,492,910	5,737,409

32.1 These represent expenses incurred in respect of ICC-Men's T-20 World Cup, ICC-Women's World Cup, ICC-Women's Championship Round-1, U-19 Asia Cup 2021, ICC-U-19 World Cup 2022 (2021: ICC Women's Championship Round 2 (Pak vs Sri-Lanka) and U-19 ICC Cricket World Cup 2020).

33. DIRECT EXPENSES RELATED TO PAKISTAN SUPER LEAGUE	Note	2022 Rupees	2021 Rupees
Direct costs:			
Venue hiring cost		-	303,619,400
Event management expenses		70,689,529	254,001,209
Match day expenses		176,859,958	64,842,392
Marketing and advertisement		43,350,432	138,293,504
Security expenses		189,874,788	80,939,045
TV production cost		-	457,354,341
Prize money		111,249,995	213,273,024
Staff remuneration		13,169,501	26,887,461
Travel and accommodation		161,709,526	270,957,535
Foreign players match fee and insurance		-	83,707,479
Legal and professional		63,201,600	21,967,761
Match officials' expenses		98,206,184	79,515,194
Daily allowance		3,063,000	58,795,560
Anti corruption and anti doping		9,556,502	14,551,601
Liaison and protocol officers' expenses		20,222,802	10,293,613
Provision for expected credit losses		-	129,432,926
Exchange loss		77,592,493	-
Medical expenses		36,206,185	34,457,492
Repair and maintenance		3,244,101	4,460,861
Others		7,749,146	12,122,787
		1,085,945,742	2,259,473,185
Indirect costs:			
Allocation of indirect costs	33.1 & 4.15	181,318,422	149,410,165
	33.2	1,267,264,164	2,408,883,350

33.1 This includes depreciation and amortization expense amounting to Rs. 28.663 million (2021: Rs. 22.333 million).

33.2 These expenses represent Pakistan Super League (PSL) tournament hosted by PCB. All matches of PSL-7 were played in Pakistan. (2021: This represents expenses related to PSL 6 and 4 matches of PSL 5 hosted by PCB in Pakistan or at neutral venues. For PSL 5, all 4 remaining matches were played in Pakistan and for PSL 6, 14 matches were played in Pakistan while 20 matches were played in UAE).

34. CRICKET PROMOTIONAL EXPENSES	Note	2022 Rupees	2021 Rupees
<i>International</i>			
Central contract fee		226,508,677	183,049,918
Players related other costs		73,184,821	44,811,959
Coach and trainer fee		160,156,456	189,172,668
Committees expenses		23,661,949	28,657,474
PCB Awards		1,718,052	150,000
Players' training camp		228,183	-
		485,458,138	445,842,019
<i>Domestic</i>			
Central contract fee		365,149,850	158,010,625
Coaching expense		4,220,004	2,756,693
Players development program		107,023,332	103,025,218
Committees expenses		5,402,357	1,729,669
Grants	34.1	49,310,952	32,710,118
		531,106,495	298,232,323
		1,016,564,633	744,074,342
34.1 Grants to:			
Pakistan Blind Cricket Team		17,974,700	17,098,295
Pakistan Deaf Cricket Team		20,247,731	7,556,615
Ground operations and domestic tournaments		5,995,765	5,605,208
Veterans		5,092,756	2,450,000
		49,310,952	32,710,118
35. ADMINISTRATIVE EXPENSES			
Salaries, wages and other benefits		1,141,773,331	971,534,813
Traveling and allowances		24,161,562	26,192,411
Vehicle running expenses		21,520,841	10,557,077
Entertainment		16,195,165	11,340,406
Communication		9,553,825	8,367,093
Committees expenses		1,746,933	1,425,951
Repair and maintenance		72,962,392	68,367,362
Printing and stationery		4,520,258	4,796,529
Insurance		29,852,388	23,106,482
Utilities net of recoveries		90,316,454	53,703,842
Marketing and advertisement		18,763,488	6,343,278
Auditors' remuneration		2,245,152	1,873,765
Legal and professional		98,385,924	79,669,780
Commercialization fee		5,267,310	4,655,343
Rent, rates and taxes		1,341,496	5,865,420
Office security expenses		3,122,575	3,186,656
Fee and subscriptions		3,273,804	727,915
Medical expenses		927,930	2,124,934
Cleaning expenses		3,444,794	3,559,737
Grants under Benevolent Fund		2,500,000	6,000,000
Provision for expected credit losses - net		23,882,003	-
Other expenses		16,215,904	10,123,943
		1,591,973,529	1,303,522,737
Less: Allocation of indirect costs to PSL	4.15	(151,973,274)	(126,448,702)
		1,440,000,255	1,177,074,035

	Note	2022 Rupees	2021 Rupees
36. DEPRECIATION AND AMORTIZATION			
<i>Depreciation on:</i>			
- Property and equipment	5.1	232,957,854	206,505,402
- Right of use assets	5.2.2	497,613	445,982
- Investment property	7	32,059,211	-
		265,514,678	206,951,384
Amortization on intangible assets	8.1	1,368,420	995,845
Less: Allocation of indirect costs to PSL	33.1 & 4.15	(28,663,245)	(22,333,532)
		<u>238,219,853</u>	<u>185,613,697</u>
37. FINANCIAL AND OTHER CHARGES			
Exchange loss - net		-	101,764,218
Bank charges		1,089,874	714,060
Interest expense on lease liabilities		5,259,318	5,132,600
		6,349,192	107,610,878
Less: Allocation of indirect costs to PSL	4.15	(681,903)	(627,931)
		<u>5,667,289</u>	<u>106,982,947</u>
38. TAXATION			
<i>Current tax expense:</i>			
- For the year	38.1	369,589,451	79,841,639
- Prior year	38.2	23,817,734	-
		<u>393,407,185</u>	<u>79,841,639</u>
38.1 Tax expense for the year comprises of the following:			
Minimum tax u/s 113		-	79,841,639
Minimum tax u/s 153		369,589,451	-
		<u>369,589,451</u>	<u>79,841,639</u>
38.2			
This represents tax demand in respect of super tax under section 4B of the Ordinance for Tax Year 2016 which was previously pending for adjudication before Appellate Tribunal Inland Revenue (ATIR). During the year, ATIR confirmed the demand as altered and reduced by the Commissioner Inland Revenue (Appeals) amounting Rs. 23.818 million against which the Board has recorded provision accordingly (refer to note 21.1.8 for detail).			
38.3 Relationship between tax expense and surplus / deficit			
The current tax expense for the year represents minimum tax under section 153 (2021: minimum tax under section 113) of the Income Tax Ordinance, 2001 (the Ordinance). There is no relationship between tax expense and surplus / deficit as the provision for taxation is based on minimum tax, accordingly no reconciliation has been presented.			
39. CASH AND CASH EQUIVALENTS	Note	2022 Rupees	2021 Rupees
Investments held at amortized costs - term deposit receipts	15	15,638,947,381	13,139,147,381
Cash and bank balances	16	1,438,290,071	564,087,388
		<u>17,077,237,452</u>	<u>13,703,234,769</u>

40. RELATED PARTY TRANSACTIONS

The related parties comprise retirement funds, members of Board of Governors, key management personnel and associate. Significant transactions of the Board with related parties are as under:

<u>Relationship</u>	<u>Nature of transactions</u>	2022 Rupees	2021 Rupees
Employees Provident Fund Trust	Amount contributed	<u>37,996,907</u>	<u>35,756,795</u>
Avant Hotels (Private) Limited (Associated Company)	Rental income	<u>1,010,590</u>	<u>1,010,590</u>

40.1 Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly. The Board considers its Chairman, Board of Governors, Members of Management Committee and team members (Chief Executive Officer, Chief Operating Officer and Chief Financial Officer) to be key management personnel.

Significant transactions:

Chairman

	2022		2021
	Ramiz Raja 13-Sep-21 to June-22	Ehsan Mani Jul-21 to 12-Sep-21	Ehsan Mani
	Rupees		Rupees
Rented accommodation	-	2,230,760	4,503,506
<i>Vehicle allowance & costs on security vehicle:</i>			
- Fuel cost of owned vehicle	252,137	332,338	327,586
Driver cost	719,558	196,171	834,684
	<u>971,695</u>	<u>528,509</u>	1,162,270
Utility and mobile phone bills	294,049	173,901	396,280
Costs of security guards & servants	382,000	326,317	709,840
Medical expenses reimbursed	373,332	34,196	114,372
<i>Travelling expenses:</i>			
- Daily allowance and accommodation	442,776	1,512,198	3,781,665
- Travelling	3,486,403	-	909,599
	<u>3,929,179</u>	<u>1,512,198</u>	4,691,264
Business entertainment	11,656	40,111	381,027
			<u>5,961,911</u>

Members of governing board:

Travelling expenses:

Daily allowance and accommodation
Travelling

Meeting allowance

Governing Board	
399,195	467,021
692,918	311,826
<u>1,092,113</u>	778,847
670,000	570,000
<u>1,762,113</u>	<u>1,348,847</u>

Team members

Salaries and benefits

72,471,223 71,716,446

40.2 The outstanding balances, if any, of such parties have been disclosed in respective notes to the financial statements.

41. FINANCIAL RISK MANAGEMENT

41.1 Financial risk factors

The Board's financial liabilities comprise of creditors and other payables, lease liabilities, retention money payable and long-term deposits. The main purpose of these financial liabilities is to raise finances for Board's operations. The Board financial assets comprise of due from sponsors, franchisees, boards and associations, short-term investments, loans and advances (players and employees), long-term security deposits, other receivables and cash and bank balances that arrive directly from its operations.

The Board's activities expose it to a variety of financial risks: market risk (including currency risk, price risk and interest rate risk), credit risk and liquidity risk. The Board's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance.

Risk management is carried out by the Chairman and Chief Financial Officer (CFO). The Chairman and CFO provide principles for overall risk management, as well as policies covering specific areas such as currency risk, equity price risk, interest rate risk, credit risk and liquidity risk.

(a) Market risk

(i) 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. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies.

The Board's major transactions in foreign currencies are in US Dollar. The following analysis demonstrates the sensitivity to a reasonably possible change in US Dollar exchange rate, with all other variables held constant, of the Board's surplus for the year before tax:

	2022	2021
Reporting date rate - Rupees per US Dollar	206.00	158.30
Changes in US Dollar Rate	+10%	+10%
Surplus / (deficit) for the year before tax - Rupees	164,159,237	(756,085,170)

(ii) Interest rate risk

This represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Board has no significant interest bearing liabilities. The Board's interest rate risk mainly arises from investment in Term Deposit Receipts (TDRs).

At reporting date the interest rate profile of the Board's interest bearing financial instruments was:

	2022 Rupees	2021 Rupees
Fixed rate instruments		
Financial assets:		
Investments - at amortized cost	15,638,947,381	13,139,147,381
Floating rate instruments		
Financial assets:		
Bank balances - saving accounts	1,438,267,295	563,956,849

Fair value sensitivity analysis for fixed rate instruments

The Board does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate at the statement of financial position date would not affect income or expenditure of the Board.

Cash flow sensitivity analysis for variable rate instruments

The following analysis demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Board's surplus for the year before tax. This analysis is prepared assuming the amounts of floating rate instruments outstanding at statement of financial position dates were outstanding for the whole year.

		Changes in interest rate	Effects on income before tax
		%	Rupees
Investments - at amortized cost	2022	+1.00	156,389,474
		-1.00	(156,389,474)
	2021	+1.00	131,391,474
		-1.00	(131,391,474)
Bank balances - saving accounts	2022	+1.00	14,382,673
		-1.00	(14,382,673)
	2021	+1.00	5,639,568
		-1.00	(5,639,568)

(b) Credit risk

Credit risk represents 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 carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	2022 Rupees	2021 Rupees
Long term security deposits	9,430,784	9,390,658
Due from sponsors, franchisees, boards and associations	3,478,334,011	2,475,189,259
Loans and advances	267,903,121	57,200,380
Other receivables	576,604,647	233,728,363
Short-term investments	15,638,947,381	13,139,147,381
Bank balances	1,438,267,295	563,956,849
	<u>21,409,487,239</u>	<u>16,478,612,890</u>

The age of due from sponsors, franchisees, boards and associations and related impairment loss at reporting date was:

	2022 Rupees	2021 Rupees
The age of due from sponsors, franchisees, boards and associations Not more than one year	<u>3,478,334,011</u>	<u>2,475,189,259</u>

Credit risk related to financial assets is managed by established procedures and controls relating to receivables credit risk management. Outstanding receivables are regularly monitored.

At June 30, 2022, seven parties that owed the Board more than Rs. 3,755 million (2021: seven parties that owed the Board more than Rs. 2,639 million) accounts for approximately 87% (2021: 81%) of total amount due from sponsors, franchisees, boards and associations.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rate. The table below shows the bank balances including term deposits held with some major counterparties at the statement of financial position date:

Bank	Rating			2022	2021
	Short term	Long term	Agency	Rupees	Rupees
Al-Baraka Bank Limited	A-1	A+	VIS	4,097,303,209	1,963,110,287
Bank Alfalah Limited	A-1+	AA+	PACRA	69,901,811	724,051,244
Faysal Bank Limited	A-1+	AA	PACRA	177,898,599	94,907,292
JS Bank Limited	A-1+	AA-	PACRA	3,750,000,000	3,050,000,000
MCB Bank Limited	A-1+	AAA	PACRA	107,075,110	48,569,284
Samba Bank Limited	A-1	AA	VIS	2,100,000,000	2,900,000,000
MCB Islamic Bank Limited	A-1	A	PACRA	507,202,295	507,202,295
Soneri Bank Limited	A-1+	AA-	PACRA	3,000,000,000	3,000,000,000
United Bank Limited	A-1+	AAA	VIS	5,548,613	5,439,792
National Bank of Pakistan	A-1+	AAA	PACRA	11,506,103	1,078,950
Dubai Islamic Bank	A-1+	AA	VIS	1,600,000,000	500,000,000
Habib Metropolitan Bank	A-1+	AA+	PACRA	1,583,745,086	908,745,086
HBL Islamic	A-1+	AAA	VIS	67,033,850	-
				17,077,214,676	13,703,104,230

Due to the Board's long standing business relationships with these counterparties and after giving due consideration to their strong financial standing, the management does not expect non-performance by these counter parties on their obligations to the Board. Accordingly, the credit risk is minimal.

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Board'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 damage to the Board's reputation. The management believes the liquidity risk to be low.

The table below analyses the Board's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Carrying Amount	Contractual cash flows	Less than 1 year	Between 1 and 5 years	More than 5 years
Rupees					
June 30, 2022					
Lease liabilities	55,248,018	504,749,839	5,247,300	20,989,200	29,011,518
Retention money payable	80,684,990	80,684,990	80,684,990	-	-
Long-term security deposits	18,732,956	18,732,956	-	18,732,956	-
Trade and other payables	5,400,080,339	5,400,080,339	5,400,080,339	-	-
June 30, 2021					
Lease liabilities	49,302,742	491,737,349	5,197,300	20,789,200	23,316,242
Retention money payable	96,490,744	96,490,744	68,875,595	27,615,149	-
Long-term security deposits	599,215	599,215	-	599,215	-
Trade and other payables	3,107,330,539	3,107,330,539	3,107,330,539	-	-

41.2 Fair values of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique.

The Board classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- (i) Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- (ii) Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- (iii) Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The Board's policy is to recognize transfer into and transfers out of fair value hierarchy levels as at the end of the reporting periods. There were no transfers amongst the levels during the current year.

Valuation techniques used to determine fair values

Level 1: The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. These instruments are included in Level 1.

Level 2: The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

The carrying values of all the financial assets and liabilities reflected in the financial statements are a reasonable approximation of their fair values. As at year-end, all financial assets and financial liabilities are carried at cost / amortized cost except for long term investment in unquoted equity instruments which is classified as financial asset through other comprehensive income.

	2022 Rupees	2021 Rupees
41.3 Financial instruments by categories		
Financial assets - at amortized cost		
Due from sponsors, franchisees, boards and associations	3,478,334,011	2,475,189,259
Advances to employees and players - net	267,903,121	57,200,380
Other receivables	576,604,647	233,728,363
Long-term security deposits	9,430,784	9,390,658
Short-term investments	15,638,947,381	13,139,147,381
Cash and bank balances	1,438,290,071	564,087,388
	<u>21,409,510,015</u>	<u>16,478,743,429</u>
Financial assets - at fair value through profit or loss		
Long-term investment	37,500	37,500
	<u>21,409,547,515</u>	<u>16,478,780,929</u>
Financial liabilities - at amortized cost		
Long-term security deposits	18,732,956	599,215
Lease liabilities	55,248,018	49,302,742
Retention money payable	80,684,990	96,490,744
Creditors and other payables	5,400,080,339	3,107,330,539
	<u>5,554,746,303</u>	<u>3,253,723,240</u>

42. CORRESPONDING FIGURES

Corresponding figures have been rearranged or reclassified, wherever necessary, for the purposes of comparison. Following major reclassification have been made during the year:

Description	Reclassified from	Reclassified to	2021 Rupees
Advances to franchisees	Payable to franchisees (note 19)	Due from Franchisees (note 10)	<u>78,442,260</u>

43. DATE OF AUTHORIZATION

These financial statements have been authorized for issuance by Board of Governors of PCB on 16 JAN 2024.

44. GENERAL

Figures have been rounded off to the nearest rupee, unless otherwise stated.


Chief Financial Officer


Chief Operating Officer