

**PAKISTAN CRICKET BOARD
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

**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, 2023**, 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 to 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, 2023, 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

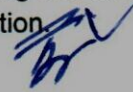
We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the 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 certain costs in connection with the 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, however, the lease agreements in respect of such stadiums and academy have not been finalized yet with concerned government departments. Our opinion is not modified in respect of this matter.

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



**INDEPENDENT AUDITORS' REPORT (CONTINUED)
TO THE BOARD OF GOVERNORS OF PAKISTAN CRICKET BOARD**

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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the 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.

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:

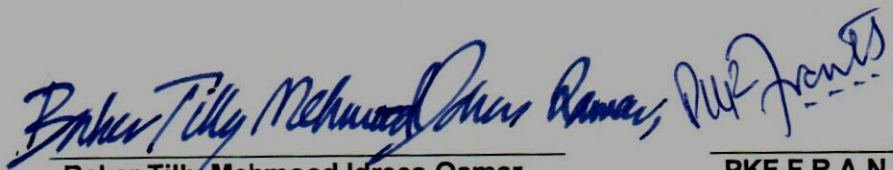
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting 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.

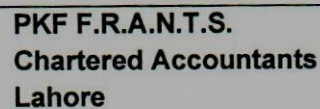
*The engagement partners on the audit resulting in this independent auditors' report are **Bilal Ahmed Khan** (Baker Tilly Mehmood Idrees Qamar, Chartered Accountants) and **Nouman Razaq Khan** (PKF F.R.A.N.T.S., Chartered Accountants).*



Baker Tilly Mehmood Idrees Qamar
Chartered Accountants
Lahore

Date: April 23, 2024

UDIN: AR202310244oySXa7biZ



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

Date: April 23, 2024

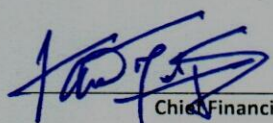
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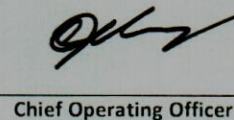
PAKISTAN CRICKET BOARD
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2023



ASSETS	Note	2023 Rupees	2022 Rupees
Non-current assets			
Property and equipment			
- Operating fixed assets	5	2,043,680,005	2,245,202,554
- Capital work-in-progress	6	231,023,328	51,852,595
Investment property	7	269,707,205	308,178,258
Intangible assets	8	33,244,152	12,593,491
Long-term investment	9	37,500	37,500
Long-term security deposits		8,950,784	9,430,784
		2,586,642,974	2,627,295,182
Current assets			
Stores and spares	10	66,789,818	60,814,090
Due from sponsors, franchisees, boards and associations	11	2,900,155,733	3,478,334,011
Loans and advances	12	248,778,318	452,638,925
Short-term prepayments	13	7,944,364	9,741,548
Other receivables	14	1,308,600,524	576,604,647
Taxation - net	15	429,180,903	576,152,277
Short-term investments	16	16,239,347,381	15,638,947,381
Cash and bank balances	17	1,739,140,789	1,438,290,071
		22,939,937,830	22,231,522,950
TOTAL ASSETS		25,526,580,804	24,858,818,132
FUND AND LIABILITIES			
General fund		20,393,054,686	17,304,552,163
Non-current liabilities			
Long-term liabilities	18	26,557,821	32,278,463
Deferred revenue	19	269,752,591	627,713,473
Long-term security deposits		18,732,956	18,732,956
		315,043,368	678,724,892
Current liabilities			
Trade and other payables	20	4,392,244,391	5,532,099,536
Current portion of long-term liabilities and deferred revenue	21	426,238,359	1,343,441,541
		4,818,482,750	6,875,541,077
TOTAL FUND AND LIABILITIES		25,526,580,804	24,858,818,132
CONTINGENCIES AND COMMITMENTS	22		

The annexed notes from 1 to 45 form an integral part of these financial statements.


Chief Financial Officer


Chief Operating Officer

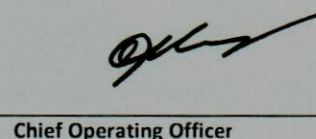
PAKISTAN CRICKET BOARD
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2023



INCOME	Note	2023 Rupees	2022 Rupees
Revenue from:			
Tours outside Pakistan		134,903,785	55,010,000
Tours inside Pakistan and neutral venues	23	3,690,003,875	1,051,557,517
Tournaments:			
- Domestic	24	183,882,038	70,037,264
- International	25	5,432,519,675	2,811,484,659
- Pakistan Super League:	26	3,555,223,483	3,341,247,927
		<u>12,996,532,856</u>	<u>7,329,337,367</u>
Sponsorship and logo income		251,585,363	118,693,890
Rental income	27	90,743,167	67,291,650
Return on investments and bank deposits	28	2,640,790,641	1,173,614,872
Other income	29	444,470,504	344,934,646
		<u>3,427,589,675</u>	<u>1,704,535,058</u>
Total income		<u>16,424,122,531</u>	<u>9,033,872,425</u>
EXPENDITURE			
Direct expenses related to:			
Tours outside Pakistan	30	(368,941,104)	(496,531,389)
Tours inside Pakistan and neutral venues	31	(3,027,132,271)	(1,344,069,953)
Tournaments:			
- Domestic	32	(2,888,253,959)	(1,553,340,144)
- International	33	(450,771,696)	(237,492,910)
- Pakistan Super League	34	(2,075,184,214)	(1,267,264,164)
Cricket promotional expenses	35	(1,333,521,755)	(1,016,564,633)
		<u>(10,143,804,999)</u>	<u>(5,915,263,193)</u>
Administrative expenses	36	(2,023,859,047)	(1,440,000,255)
Depreciation and amortization	37	(277,051,575)	(238,219,853)
Financial and other charges	38	(5,506,989)	(5,667,289)
		<u>(2,306,417,611)</u>	<u>(1,683,887,397)</u>
Total expenditure		<u>(12,450,222,610)</u>	<u>(7,599,150,590)</u>
Surplus for the year before taxation		<u>3,973,899,921</u>	<u>1,434,721,835</u>
Taxation	39	(885,397,398)	(393,407,185)
Surplus for the year after taxation		<u><u>3,088,502,523</u></u>	<u><u>1,041,314,650</u></u>

The annexed notes from 1 to 45 form an integral part of these financial statements.


Chief Financial Officer


Chief Operating Officer

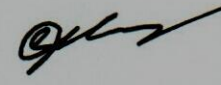
PAKISTAN CRICKET BOARD
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2023



	2023 Rupees	2022 Rupees
Surplus for the year after taxation	3,088,502,523	1,041,314,650
Other comprehensive income	-	-
Total comprehensive income for the year	<u>3,088,502,523</u>	<u>1,041,314,650</u>

The annexed notes from 1 to 45 form an integral part of these financial statements.


Chief Financial Officer

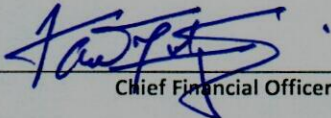

Chief Operating Officer

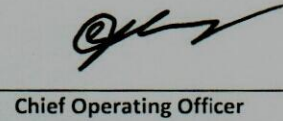
PAKISTAN CRICKET BOARD
STATEMENT OF CHANGES IN GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2023



	<u>General Fund</u> <u>Rupees</u>
Balance as at July 01, 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
Surplus for the year after taxation	3,088,502,523
Other comprehensive income	-
Total comprehensive income for the year	3,088,502,523
Balance as at June 30, 2023	20,393,054,686

The annexed notes from 1 to 45 form an integral part of these financial statements.


Chief Financial Officer

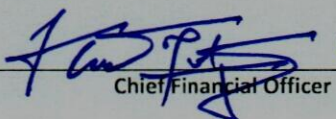

Chief Operating Officer

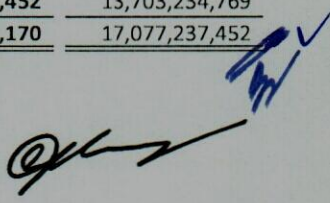
PAKISTAN CRICKET BOARD
STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED JUNE 30, 2023



	Note	2023 Rupees	2022 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Surplus for the year before taxation		3,973,899,921	1,434,721,835
Adjustments for non-cash charges and items:			
Depreciation and amortization	37	310,387,156	266,883,098
Provision for expected credit losses and obsolescence	34 & 36	389,538,183	23,882,003
Provision for obsolete stores and spares	10	6,332,360	-
Unrealised exchange gain		(8,800,000)	(1,537,974)
Gain on disposal of operating fixed assets	29	(895,420)	(6,507,277)
Rental income		(557,792)	(3,355,664)
Interest expense on lease liabilities	38	5,157,093	5,259,318
Financial charges	38	1,012,511	1,089,874
		<u>702,174,091</u>	<u>285,713,378</u>
Cash flows before working capital changes		4,676,074,012	1,720,435,213
Cash flows from working capital changes			
<i>(Increase) / decrease in current assets:</i>			
Stores and spares		(12,308,088)	(14,972,592)
Due from sponsors, franchisees, boards and associations		188,640,095	(1,003,144,752)
Loans and advances		203,860,607	(174,397,325)
Short-term prepayments		1,797,184	16,100,013
Other receivables		(731,995,877)	(342,876,284)
		<u>(350,006,079)</u>	<u>(1,519,290,940)</u>
<i>(Decrease) / Increase in current liabilities:</i>			
Trade and other payables		(1,139,855,145)	2,299,917,240
Deferred revenue		(1,279,777,098)	1,556,113,928
		<u>(2,419,632,243)</u>	<u>3,856,031,168</u>
Cash generated from operations		1,906,435,690	4,057,175,441
Financial charges paid		(1,012,511)	(1,089,874)
Income tax deducted		(738,426,024)	(504,290,137)
Lease rentals paid		(550,000)	-
		<u>(739,988,535)</u>	<u>(505,380,011)</u>
Net cash generated from operating activities		1,166,447,155	3,551,795,430
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure		(279,744,349)	(206,999,982)
Proceeds from disposal of property and equipment		5,267,912	9,575,646
Long-term security deposits - net		480,000	18,093,615
Net cash used in investing activities		(273,996,437)	(179,330,721)
Net increase in cash and cash equivalents		892,450,718	3,372,464,709
Effects of exchange rate on cash and cash equivalents		8,800,000	1,537,974
Cash and cash equivalents at beginning of the year		17,077,237,452	13,703,234,769
Cash and cash equivalents at end of the year	40	17,978,488,170	17,077,237,452

The annexed notes from 1 to 45 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 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, was later repealed and superseded by S.R.O. 1045 (I) / 2019, on August 19, 2019. Lastly, by way of S.R.O. No. 2312(I)/2022 the 2019 PCB Constitution was repealed on December 22, 2022, and at the same time revived the erstwhile 2014 Constitution, promulgated under S.R.O. No. 43 (KE) / 2014, which currently remains in force. 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.

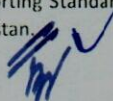
Additionally, for the purpose of regulation of the game and those affiliated with the game or PCB in any manner whatsoever, PCB has put in place codes and regulations relating to the matters of discipline, anti-corruption, anti-doping and other issues concerning activities involving the game, followed 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 employee benefits (Note 4.10.1)
- Provision of earned leave (Note 4.10.3)
- Revenue from contracts with customers (Note 4.14)
- Contingencies (Note 4.18)
- Provisions (Note 4.19)

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.

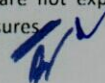
4.1 Standards, interpretations and amendments to accounting and reporting standards as applicable in Pakistan which are effective in current period

New accounting standards / amendments and IFRS interpretations that are effective for the year ended June 30, 2023

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 IAS 1 'Presentation of Financial Statements' - Disclosure of accounting policies.	January 1, 2023
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current.	January 1, 2024
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 12 'Income Taxes' - Deferred Tax related to Assets and Liabilities' narrow the scope of the initial recognition exemption (IRE).	January 1, 2023
Amendments to IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial Instruments Disclosures' introduced new disclosure requirements.	January 1, 2024
Amendments to IFRS 4 Insurance Contracts (Amendments)	January 1, 2023
Amendments to IFRS 7 'Financial Instruments: Disclosures' Supplier finance arrangements	January 1, 2024
Amendments to IFRS 16 'Leases' Amendment to clarify how a seller lessee subsequently measure Sale and Leaseback transactions.	January 1, 2024

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:

- 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:

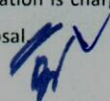
a) Measurement

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.

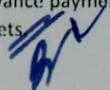
The Board has elected to apply the practical expedient not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases are recognised as an expense on a straight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

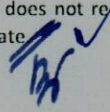
4.4.1 Judgement and Estimates

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. 543.759 million (2022: Rs. 929.607 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. 1,875.032 million (2022: Rs. 1,156.860 million).

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 previous 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

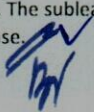
The Board assesses whether a contract is or contains a lease, at inception of the contract. The Board recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term 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.

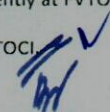
The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset.

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 holds 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.

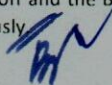
Write-off policy

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:

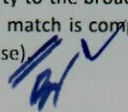
- Sale of international and domestic media rights, after allowance for commission and charges.
- Commercial sponsorship agreements;
- Match income (ticket sales) received for all matches;
- Distributions from external entities;
- Donations and special funds;
- Return on investments; and
- Rental Income.

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 sponsors. 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 considerations. 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.

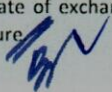
4.16 Contract Assets and Liabilities

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

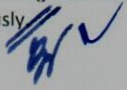
Provisions are recognised in the statement of financial position when the Board has a legal or constructive obligation as a result of past events and it is probable that outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can 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	2023 Rupees	2022 Rupees
5. PROPERTY AND EQUIPMENT			
Operating fixed assets	5.1	2,013,567,236	2,209,508,819
Right-of-use assets	5.2	30,112,769	35,693,735
		<u>2,043,680,005</u>	<u>2,245,202,554</u>

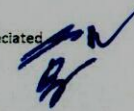
5.1 Operating fixed assets

	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, 2022										
Cost	-	4,610,752	2,675,351,062	335,972,063	348,093,293	369,311,402	740,897,881	60,387,263	155,834,397	4,690,458,113
Accumulated depreciation	-	(4,610,752)	(874,505,718)	(214,512,464)	(347,159,959)	(267,752,641)	(604,907,028)	(43,176,889)	(124,323,843)	(2,480,949,294)
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
Year ended June 30, 2023										
Opening 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
Additions during the year	-	-	-	12,029,710	-	11,359,542	22,524,719	14,530,948	38,250,322	98,695,241
Disposals										
Cost	-	-	(19,044,822)	(4,573,730)	-	-	-	(842,692)	-	(24,461,244)
Accumulated depreciation	-	-	157,395	344,345	-	-	-	542,190	-	1,043,930
Depreciation charge for the year	-	-	(18,887,427)	(4,229,385)	-	-	-	(300,502)	-	(23,417,314)
Closing net book value	-	-	1,663,911,564	82,364,076	583,334	73,730,739	118,190,259	20,298,988	54,488,276	2,013,567,236
As at June 30, 2023										
Cost	-	4,610,752	2,656,306,240	343,428,043	348,093,293	380,670,944	763,422,600	74,075,519	194,084,719	4,764,692,110
Accumulated depreciation	-	(4,610,752)	(992,394,676)	(261,063,967)	(347,509,959)	(306,940,205)	(645,232,341)	(53,776,531)	(139,596,443)	(2,751,124,874)
Net book value	-	-	1,663,911,564	82,364,076	583,334	73,730,739	118,190,259	20,298,988	54,488,276	2,013,567,236
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, 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	-	4,610,752	2,675,351,062	335,972,063	348,093,293	369,311,402	740,897,881	60,387,263	155,834,397	4,690,458,113
Accumulated depreciation	-	(4,610,752)	(874,505,718)	(214,512,464)	(347,159,959)	(267,752,641)	(604,907,028)	(43,176,889)	(124,323,843)	(2,480,949,294)
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	

5.1.1 Operating fixed assets include assets having cost of Rs. 1,612,761,145 (2022: Rs. 1,605,698,458) that have been fully depreciated.



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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, 2023				June 30, 2022
	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	547,138,488
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	81,374,610
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	867,928,007

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	Commercialization fee for commercial use	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.

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5.2.2 Movement of right-of-use assets

Opening balance	Cost		Accumulated depreciation			Net book value	
	Additions / (re-assessment of lease liabilities)	Closing balance	Opening balance	Depreciation for the year	Closing balance		
Rupees							
Right-of-use assets - June 30, 2023	37,045,805	(5,156,909)	31,888,896	1,352,070	424,057	1,776,127	30,112,769
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

6. CAPITAL WORK-IN-PROGRESS

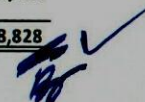
Capital work-in-progress

Advance against capital work-in-progress

Note	2023 Rupees	2022 Rupees
6.1	110,538,828	48,612,595
	120,484,500	3,240,000
	<u>231,023,328</u>	<u>51,852,595</u>

6.1 Capital work-in-progress

June 30, 2023						
Rawalpindi Cricket Stadium	National Cricket Academy	Islamabad Cricket Stadium	National Stadium Karachi	Cricket House	Short Term Projects	Total
Rupees						
Opening balance	-	53,743,689	61,287,105	-	-	115,030,794
Additions	70,760	-	-	-	61,855,473	61,926,233
Transfer to operating fixed assets	-	-	-	-	-	-
	70,760	53,743,689	61,287,105	-	61,855,473	176,957,027
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	70,760	48,612,595	-	-	61,855,473	110,538,828



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	June 30, 2022						
	Rawalpindi Cricket Stadium	National Cricket Academy	Islamabad Cricket Stadium	National Stadium Karachi	Cricket House	Short Term Projects	Total
	----- 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
Adjustment	-	-	-	-	-	-	-
Transfer to operating fixed assets	-	-	-	(802,411,020)	(340,187,432)	-	(1,142,598,452)
	-	53,743,689	61,287,105	-	-	-	115,030,794
<i>Accumulated impairment</i>							
Opening balance	-	5,131,094	61,287,105	-	-	-	66,418,199
Transfer	-	-	-	-	-	-	-
	-	5,131,094	61,287,105	-	-	-	66,418,199
Closing balance	-	48,612,595	-	-	-	-	48,612,595

- 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.

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7. INVESTMENT PROPERTY

	Cost			Accumulated depreciation			Net book value	Annual depreciation rate
	As at July 01, 2022	Transfer from operating fixed assets	As at June 30, 2023	As at July 01, 2022	Depreciation charged for the year	Transfer / Adjustment		
Note	----- Rupees -----							%
Freehold land	50,037	-	50,037	-	-	-	50,037	-
Building on freehold land	344,798,184	-	344,798,184	36,669,963	38,471,053	-	75,141,016	5 & 20
June 30, 2023	344,848,221	-	344,848,221	36,669,963	38,471,053	-	75,141,016	269,707,205

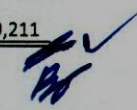
	Cost			Accumulated depreciation			Net book value	Annual depreciation rate	
	As at July 01, 2021	Transfer from operating fixed assets	As at June 30, 2022	As at July 01, 2021	Depreciation charged for the year	Transfer / Adjustment			As at June 30, 2022
Note	----- Rupees -----							%	
Freehold land	-	50,037	50,037	-	-	-	50,037	-	
Building on freehold land	-	344,798,184	344,798,184	-	32,059,211	4,610,752	36,669,963	308,128,221	5 & 20
June 30, 2022	-	344,848,221	344,848,221	-	32,059,211	4,610,752	36,669,963	308,178,258	

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	2023 Rupees	2022 Rupees
- Rental income	27	<u>58,606,716</u>	<u>33,664,064</u>
- Depreciation	37	<u>38,471,053</u>	<u>32,059,211</u>



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Within one year	After one year but not more than five years	More than five years
----- Rupees -----		
60,616,179	93,837,448	-

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

Undiscounted future cashflows

7.4 The fair value of investment property as at June 30, 2023 ranges between Rs. 1.695 billion to Rs. 2.071 billion (2022: Rs. 1.579 billion to Rs. 1.930 billion). 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	2023 Rupees	2022 Rupees
8.1	162,167	241,429
8.2	33,081,985	12,352,062
	<u>33,244,152</u>	<u>12,593,491</u>

8.1 Software licenses and website

	Cost			Amortization			Net book value	Annual amortization rate
	Opening balance	Additions	Closing balance	Opening balance	Amortization for the Year	Closing balance		
	----- Rupees -----							%
Software licenses and website - June 30, 2023	13,905,734	193,274	14,099,008	13,664,305	272,536	13,936,841	162,167	33.33
Software licenses and website - June 30, 2022	13,557,734	348,000	13,905,734	12,295,885	1,368,420	13,664,305	241,429	33.33

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	2023	2022
			Rupees	Rupees
			<u>2023</u>	<u>2022</u>
	Number of shares			
			<u>3,750</u>	<u>3,750</u>
	Ordinary shares of Rs. 10/- each	9.1	<u><u>37,500</u></u>	<u><u>37,500</u></u>

9.1 It represents the investment in an associate, Avant Hotels (Private) Limited. The Board holds 37.5% (2022: 37.5%) equity of the associate. Summarized financial information of the associate is as follows:

	<i>Un-audited</i>		<i>Audited</i>
	June 30,	2023	December 31, 2022
	Rupees		Rupees
Total assets		37,899	37,899
Total liabilities		15,898,459	14,952,268
Loss for the period		(946,191)	(1,685,608)
Cash and cash equivalents		37,899	37,899

Board's share of the associate's post acquisition losses amounting to Rs. 5.985 million (2022: Rs. 5.630 million), 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.	STORES AND SPARES	Note	2023	2022
			Rupees	Rupees
	Stores and spares		73,122,178	60,814,090
	Provision for obsolete stores and spares	36	(6,332,360)	-
			<u><u>66,789,818</u></u>	<u><u>60,814,090</u></u>

10.1 The stores and spares recognised as an expense amounted to Rs. 533.281 million (2022: Rs. 315.737 million).

11. DUE FROM SPONSORS, FRANCHISEES, BOARDS AND ASSOCIATIONS

Unsecured:

Due from sponsors:

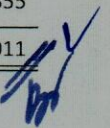
- Considered good	1,231,473,877	3,139,299,516
- Considered doubtful	1,590,948,856	846,883,443
	2,822,422,733	3,986,182,959

Due from Franchisees

Due from Boards and Associations:

- Considered good	819,627,169	274,163,776
- Considered doubtful	2,423,264	4,709,912
	822,050,433	278,873,688

	4,493,527,853	4,329,927,366
Less: Allowance for expected credit losses	1,593,372,120	851,593,355
	<u><u>2,900,155,733</u></u>	<u><u>3,478,334,011</u></u>



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	Note	2023 Rupees	2022 Rupees
11.1 Allowance for expected credit losses			
Opening balance		851,593,355	851,593,355
Provided for the year		765,539,168	-
Reversed during the period		(23,760,403)	-
Closing balance		<u>1,593,372,120</u>	<u>851,593,355</u>
12. LOANS AND ADVANCES			
Unsecured:			
<i>Advances to employees:</i>			
- Considered good		44,570,181	159,678,794
- Considered doubtful		10,469,104	10,469,103
		55,039,285	170,147,897
<i>Advance to suppliers:</i>			
- Considered good		182,216,231	184,735,804
- Considered doubtful		27,425,759	27,425,756
		209,641,990	212,161,560
<i>Advances to players:</i>			
- Considered good		21,991,902	108,224,327
- Considered doubtful		7,207,606	7,207,606
		29,199,508	115,431,933
		293,880,783	497,741,390
Less: Allowance for expected credit losses	12.1	45,102,465	45,102,465
		<u>248,778,318</u>	<u>452,638,925</u>
12.1 Allowance for expected credit losses			
Opening balance		45,102,465	21,220,462
Provided for the year		-	40,494,025
Reversed during the year		-	(16,612,022)
Closing balance		<u>45,102,465</u>	<u>45,102,465</u>
13. SHORT-TERM PREPAYMENTS			
Prepaid expenses		7,944,364	7,632,305
Prepaid insurance		-	2,109,243
		<u>7,944,364</u>	<u>9,741,548</u>
14. OTHER RECEIVABLES			
Accrued profit on bank accounts and term deposit receipts		1,114,396,575	456,537,381
<i>Accrued rentals:</i>			
- Considered good	14.1	107,183,536	120,067,266
- Considered doubtful		7,243,057	7,243,057
		114,426,593	127,310,323
Others			
- Considered good		87,020,413	-
- Considered doubtful		13,907,895	13,907,895
		100,928,308	13,907,895
		1,329,751,476	597,755,599
Less: Allowance for expected credit losses		21,150,952	21,150,952
		<u>1,308,600,524</u>	<u>576,604,647</u>
14.1			
It includes lease rentals amounting to Rs. 4.800 million (2022: Rs. Rs. 3.789 million) due from Avant Hotel (Private) Limited, a related party			

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NOTES TO THE FINANCIAL STATEMENTS
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		2023	2022
	Note	Rupees	Rupees
15. TAXATION - NET			
Opening balance - net of provision for taxation		576,152,277	465,269,325
Add: advance tax paid / deducted during the year		738,426,024	504,290,137
		<u>1,314,578,301</u>	<u>969,559,462</u>
Less: provision for taxation during the year	39	(885,397,398)	(369,589,451)
prior year taxation	39	-	(23,817,734)
		<u>(885,397,398)</u>	<u>(393,407,185)</u>
Closing balance - net of provision for taxation		<u>429,180,903</u>	<u>576,152,277</u>
16. SHORT-TERM INVESTMENTS			
<i>Investments held at amortized cost:</i>			
- Term deposit receipts (Foreign currency)	16.1	1,148,400,000	1,648,000,000
- Term deposit receipts (Local currency)	16.2	15,090,947,381	13,990,947,381
		<u>16,239,347,381</u>	<u>15,638,947,381</u>
16.1	These represent term deposit receipts (TDRs) amounting to US \$ 4.00 million (2022: US \$ 8.00 million) carrying interest at the rates ranging from 1.50% to 5.50% (2022: 1.50% to 3.45%) per annum and maturity ranging from 1 to 3 months.		
16.2	These represent term deposit receipts (TDRs) placed with different banks carrying interest at the rates ranging from 11.50% to 22% (2022: 7.10% to 16.25%) per annum and have maturity ranging from 1 to 12 months.		
17. CASH AND BANK BALANCES	Note	2023	2022
		Rupees	Rupees
Cash in hand		7,516,646	22,776
Cash at bank - saving accounts	17.1 & 17.2	1,731,624,143	1,438,267,295
		<u>1,739,140,789</u>	<u>1,438,290,071</u>
17.1	These include foreign currency balance of US \$ 3,466,071 (2022: US \$ 1,802,269).		
17.2	These include profits at the effective interest rates ranging from 10.25% to 18.00% (2022: 6.25% to 12.75%) per annum.		
18. LONG-TERM LIABILITIES	Note	2023	2022
		Rupees	Rupees
18.1 Movement of lease liabilities is as follows:			
Balance at the beginning of the year		55,248,018	49,302,742
Recognized during the year		-	685,958
Re-assessment of lease liabilities		(5,156,909)	-
Payments made during the year		(550,000)	-
Interest expense for the year		5,157,093	5,259,318
Balance at the end of the year		54,698,202	55,248,018
Less: current portion shown under current liabilities	21	28,140,381	22,969,555
Non-current portion of lease liabilities		<u>26,557,821</u>	<u>32,278,463</u>
18.2 Maturity analysis-contractual undiscounted cash flows is as below:			
- Less than a year		5,167,300	5,247,300
- Between 1-5 years		20,669,200	20,989,200
- Over 5 years		456,836,283	478,513,339
Total undiscounted lease liabilities		482,672,783	504,749,839
Less: Future finance cost		(427,974,581)	(449,501,821)
Present value of finance lease liabilities		<u>54,698,202</u>	<u>55,248,018</u>

PAKISTAN CRICKET BOARD
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18.3 These represents lease contracts for cricket stadiums which have lease terms ranging from 20 to 99 years. The lease payments have been discounted using the Company's incremental borrowing rate 23.27% (2022: 14%).

18.4 The Company has no lease contract that contains variable lease payment, as at June 30, 2023.

18.5 The Company has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

19.	DEFERRED REVENUE	Note	2023 Rupees	2022 Rupees
	Rent received against lease of shops & investment property	19.1	30,065,723	30,623,515
	Advance in respect of sponsorship, TV rights & Merchandise	19.2	637,784,846	1,917,561,944
			667,850,569	1,948,185,459
	Less: Current portion			
	- Rent received against lease of shops	21	3,355,664	3,355,664
	- Contract liability in respect of sponsorship, TV rights & Merchandise	21	394,742,314	1,317,116,322
			398,097,978	1,320,471,986
			<u>269,752,591</u>	<u>627,713,473</u>

19.1 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.

19.2 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.

20.	TRADE AND OTHER PAYABLES	Note	2023 Rupees	2022 Rupees
	Creditors		878,725,634	1,359,818,897
	Payable to contractors and consultants		84,585,336	92,472,447
	Commercialization fee payable		34,542,757	28,865,249
	Payable to boards and associations		161,729,876	131,100,229
	Payable to franchisees		-	475,656,955
	Payable to players		136,575,053	201,353,301
	Accrued liabilities	20.1	2,776,747,220	3,045,845,270
	Retention money of contractors		57,036,201	80,684,990
	Withholding tax payable		146,863,990	51,334,207
	Payable to Surrey County	20.2	4,838,019	4,838,019
	Recoveries under PCB vehicle policy	20.3	17,654,651	13,923,269
	Others		92,945,654	46,206,703
			<u>4,392,244,391</u>	<u>5,532,099,536</u>

20.1 It includes Rs. 2,720.68 million (2022: Rs. 3,005.57 million) due for distribution to Franchises in the next Financial year on account of Central Pool Income relating to Pakistan Super League

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- 20.2 It represents unutilized amount received from Surrey County, England regarding development of cricket in northern areas of Pakistan.
- 20.3 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.

21. CURRENT PORTION OF LONG-TERM LIABILITIES AND DEFERRED REVENUE	Note	2023 Rupees	2022 Rupees
Lease liabilities	18.1	28,140,381	22,969,555
Deferred revenue:			
- Rent received against lease of shops	19	3,355,664	3,355,664
- Contract liability in respect of sponsorship, TV rights & Merchandise	19	394,742,314	1,317,116,322
		<u>426,238,359</u>	<u>1,343,441,541</u>

22. CONTINGENCIES AND COMMITMENTS

22.1 Contingent liabilities

- 22.1.1 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.
- 22.1.2 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.
- 22.1.3 Through orders dated May 29, 2013 and June 13, 2013, the Federal Board of Revenue (FBR) concluded proceedings under section 161/205 of the Income Tax Ordinance, 2001 (the Ordinance) by raising tax demand amounting to Rs. 310.500 million and Rs. 291.100 million for the tax years 2011 and 2012 respectively. Feeling aggrieved, PCB filed appeals before the Commissioner Inland Revenue Appeals [CIR(A)]. Pursuant to the CIR(A) orders dated June 25, 2013 and October 30, 2013 for tax years 2011 and 2012 respectively, the FBR filed appeals before the Appellate Tribunal Inland Revenue (ATIR), which were concluded vide ATIR order dated February 28, 2014. The FBR further filed reference against the said ATIR 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.
- 22.1.4 Additional Commissioner Inland Revenue (Audit) 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 FBR 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 FBR 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 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 FBR 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.

- 22.1.5 Through FBR notices dated May 22, 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 FBR 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 order dated May 28, 2020 deleted the tax demand for tax years 2015, 2017 and 2018 and reduced the tax demand to Rs. 23.818 million for tax year 2016. Being aggrieved with the order of the CIR(A), PCB filed an appeal before ATIR who vide its order dated November 08, 2021 confirmed the orders of CIR(A). The FBR filed a reference before 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.
- 22.1.6 Punjab Revenue Authority (PRA) through various show cause notices dated December 29, 2018, May 23, 2023 and June 12, 2023 initiated proceedings against the PCB under section 24 of Punjab Sales Tax on Services Act, 2012 raising aggregated sales tax demand of Rs. 8.084 billion for various periods. Along with filing a detailed response with the PRA, the PCB filed writ petition before the Honorable Lahore High Court against the impugned show cause notices. 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 before Lahore High Court against the PRA 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. These financial statements do not reflect any adjustment related thereto, as the matter is subjudice before the Honorable Court and the management expects favourable outcome.
- 22.1.7 Under the Finance Act, 2022, super tax at the prescribed tax rates of upto 4% for tax year 2022 was levied on the income of high earning persons through section 4C of the Income Tax Ordinance, 2001. PCB challenged the retrospective application of the super tax before the Honorable Lahore High Court who granted interim relief to the PCB and directed the FBR to allow the PCB to file its income tax return for the said tax year excluding super tax subject to the deposit of post-dated cheques. Subsequently, in accordance with the directions of the Honorable Supreme Court of Pakistan vide order dated February 06, 2023, the FBR issued notice dated 23 February, 2023 demanding the PCB to pay 50% of its super tax liability for tax year 2022. PCB 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 the favorable outcome, consequently no provision for super tax which amounts to Rs. 57.433 for tax year 2022 is recognized in these financial statements.

In Finance Act, 2023, the super tax was increased to 10% for all the persons having income taxable to super tax over Rs. 500 million. However, the PCB has recorded provision for super tax in current year to the extent of 4% of the income based on the provisions of Finance Act, 2022, which amounts to Rs. 173.148 million. The differential super tax liability of Rs. 259.772 million, based on the super tax rate of 10% enacted vide Finance Act, 2023, has not been recorded on the premise that the PCB has filed a writ petition before the Honorable Lahore High Court challenging the impugned provisions of Finance Act, 2023, who has granted interim relief to PCB subject to the deposit / adjustment of available refunds to the extent of 50% of super tax liability under protest. Based on the tax consultant opinion, the management is confident of the favorable outcome and consequently no provision has been recorded for differential amount of Rs. 259.772 million for tax year 2023.

- 22.1.8 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. Next date fixed for hearing is March 04, 2024. PCB has a reasonably strong case, an assessment of potential loss cannot be made at this stage.

22.1.9 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.

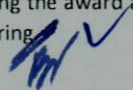
The PCB filed a writ petition bearing no. 34162 of 2020 before the honorable Lahore High Court, Lahore, which later set aside the District Court's order and directed the Civil Court Lahore to decide the stay application within a period of 30 days. The Civil Court Lahore dismissed the application of Blitz.

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).

22.1.10 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. Blitz Advertising filed its objection petition against the award by submitting an application under section 3 of the Recognition and Enforcement (Arbitration Agreements and Foreign Arbitral Awards) Act, 2011, wherein Blitz advertising claimed that the award should have been filed in the Honourable High Court since it is a foreign award. The matter is still pending adjudication.

22.1.11 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. Techfront filed its objections against making the award a rule of court to which PCB responded through its reply the objections taken. The case is still pending for hearing



- 22.1.12 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 is 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. Blitz Advertising filed its objection petition against the award by submitting an application under section 3 of the Recognition and Enforcement (Arbitration Agreements and Foreign Arbitral Awards) Act, 2011, wherein Blitz advertising claimed that the award should have been filed in the Honourable High Court since it is a foreign award. The matter is still pending adjudication.

- 22.1.13 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. 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.
- 22.1.14 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.
- 22.1.15 Director General Excise & Taxation (DG E&T) issued an order dated June 28, 2008 and directed the PCB to make payment of property tax amounting to Rs. 82.1 million in respect of National Stadium Karachi. PCB took the matter before the Honorable Sindh High Court (SHC) and the matter was decided in favor of the PCB. Feeling aggrieved, DG E&T preferred an appeal before Honorable Supreme Court of Pakistan, who subsequent to year-end, vide order dated November 6, 2023 dismissed the appeal in favor of PCB.
- 22.1.16 Through computer balloting held on September 14, 2015, the case of the PCB for the tax year 2014 was selected for income tax audit to be conducted under section 177 of the Ordinance. The PCB filed writ petition before the LHC contesting the selection of audit. Pursuant to the judgement dated January 1, 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 October 31, 2017 (serviced on May 16, 2018), the DCIR amended assessment by making additions of Rs. 691.1 million in taxable income in respect of various heads. Feeling aggrieved, the PCB filed appeal before CIR(A) who vide order dated June 17, 2021 confirmed the order of DCIR on majority issues against which the PCB has filed an appeal before the ATIR, who vide order dated October 25, 2022 deleted majority of additions made by CIR(A) and remanded back addition made under section 21(c) of the Ordinance of Rs. 525.967 million to DCIR for a speaking order after providing opportunity of being heard. Management is confident of favorable outcome, consequently no provision recognized in these financial statements.
- 22.1.17 DCIR through show cause notice dated May 21, 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. 97.700 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

22.1.18 Through Issuance of Orders passed by the DCIR LTU, Lahore dated December 23, 2016 for the tax year 2016 & 2017 the impugned demand of Rs. 3.000 million was created. PCB filed appeals before the CIR (A) against the impugned departmental order and the CIR (A) vide order 10 dated July 22, 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.

22.2 Contingent asset

22.2.1 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.

22.3 Other cases

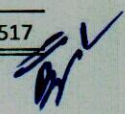
22.3.1 Certain matters other than those disclosed in these financial statements, are pending at various authorities and courts of law. However, based on the advice of its legal advisors, the management believes that the outcome of these cases would be decided in the Board's favour.

22.4 Commitments

22.4.1 There is no commitment outstanding as at June 30, 2023 other than note 8.2 (2022: nil).

23. REVENUE FROM TOURS INSIDE PAKISTAN

	2023 Rupees	2022 Rupees
TV rights	2,527,993,319	629,622,906
Gate money	65,452,922	104,288,638.00
Sponsorship fee and in stadia rights	828,361,990	277,526,359
Radio broadcasting rights	54,182,833	6,244,196
Audio and live streaming rights	207,337,811	33,875,418
Miscellaneous	6,675,000	-
	<u>3,690,003,875</u>	<u>1,051,557,517</u>



PAKISTAN CRICKET BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023



		2023	2022
	Note	Rupees	Rupees
24. REVENUE FROM TOURNAMENTS - DOMESTIC			
Sponsorship fee and in stadia rights		169,630,434	48,500,000
Live streaming rights		13,043,478	20,030,514
Miscellaneous		1,208,126	1,506,750
	24.1	183,882,038	70,037,264
24.1	These include revenue relating to Pakistan Junior League amounting Rs. 94.72 million.		
25. REVENUE FROM TOURNAMENTS - INTERNATIONAL			
Participation & preparation fee	25.1	1,087,554,502	52,788,750
Share of revenue	25.2	4,247,449,998	2,701,150,002
Sponsorship		97,515,175	57,545,907
		5,432,519,675	2,811,484,659
25.1	This includes fee relating to Asia Cup, ICC Men T-20 World Cup 2022, ICC U-19 Women T-20 World Cup 2022 and ICC Women T-20 World Cup 2022 amounting to USD 3,570,000, USD 250,000, USD 25,000 and USD 50,000 respectively (2022: 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).		
25.2	This includes share of revenue relating to ICC Member's Distribution amounting to USD 17,000,000 (2022: USD 15,500,000).		
26. PAKISTAN SUPER LEAGUE	Note	2023	2022
		Rupees	Rupees
Franchise fee		2,670,030,000	2,670,030,000
Sale of hospitality boxes		109,885,500	-
Other income		190,498,813	100,380,287
Board's share of central pool revenue	26.1	584,809,170	570,837,640
		3,555,223,483	3,341,247,927
26.1 Board's share of central pool revenue			
TV rights:			
- Media and radio rights		3,474,928,065	3,343,853,091
- TV production cost		(1,195,013,648)	(846,239,231)
		2,279,914,417	2,497,613,860
Sponsorship		2,783,140,728	2,589,862,793
Gate money		609,271,842	317,811,045
Total central pool revenue		5,672,326,987	5,405,287,698
Less: Distributed to franchisees		(5,087,517,817)	(4,834,450,058)
		584,809,170	570,837,640

PAKISTAN CRICKET BOARD
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2023



	Note	2023 Rupees	2022 Rupees
27. RENTAL INCOME			
Gaddafi Stadium Lahore - shops		31,125,861	32,616,996
National Stadium Karachi - land	27.1	1,010,590	1,010,590
		32,136,451	33,627,586
Cricket House Lahore	7.2	58,606,716	33,664,064
		90,743,167	67,291,650

27.1 It represents lease rental income from Avant Hotel (Private) Limited, a related party.

	2023 Rupees	2022 Rupees
28. RETURN ON INVESTMENTS AND BANK DEPOSITS		
Interest on term deposit receipts:		
- Foreign currency	60,519,439	782,619
- Local currency	2,307,553,615	1,083,928,331
	2,368,073,054	1,084,710,950
Interest on bank deposits:		
- Foreign currency	2,269,139	1,429,454
- Local currency	270,448,448	87,474,468
	272,717,587	88,903,922
	2,640,790,641	1,173,614,872

29. OTHER INCOME		
Exchange gain - net	288,174,184	323,718,887
Election fee	5,705,000	-
Players' fine	102,000	22,519
Gain on disposal of operating fixed assets	895,420	6,507,277
Coaching course fee	7,805,000	6,522,500
Scrap sales	50,000	-
Affiliation fee	10,000	-
Match day footage	52,027,020	-
Miscellaneous	89,701,880	8,163,463
	444,470,504	344,934,646

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PAKISTAN CRICKET BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023



30. DIRECT EXPENSES RELATED TO TOURS OUTSIDE PAKISTAN	Note	2023 Rupees	2022 Rupees
Players and officials match fee, allowances and incentives		215,261,008	258,014,214
Players related other expenses		41,030,617	36,061,561
Travelling expenses		89,047,592	167,442,815
Accommodation expenses		15,182,320	21,647,244
Others		8,419,567	13,365,555
		368,941,104	496,531,389
31. DIRECT EXPENSES RELATED TO TOURS INSIDE PAKISTAN			
Players match fee, allowances and incentives		261,143,269	165,197,438
Players related other expenses		44,812,153	16,556,309
Travelling expenses		89,444,981	41,887,500
Accommodation expenses		311,397,878	188,276,879
Team and match officials expenses		66,395,432	36,333,790
Event management expenses:			
Advertisement expenses		25,100,748	48,442,022
TV production cost		1,538,095,306	512,627,376
Match day expenses		47,564,751	28,356,543
Security expenses		349,255,844	138,782,811
Catering expense		221,697,591	121,676,043
Equipment hire rental charges		42,669,181	15,535,226
Players medical expenses		2,390,805	13,840,015
Repair and maintenance		3,182,119	4,843,327
Cleaning and janitorial		6,432,896	3,627,250
Others		17,549,317	8,087,424
		2,253,938,558	895,818,037
	31.1	3,027,132,271	1,344,069,953

31.1 These represent expenses related to international series hosted by PCB in Pakistan or at neutral venues. There were 60 match days and 148 tour days in 2023 while 28 match days and 73 tour days in 2022

PAKISTAN CRICKET BOARD
NOTES TO THE FINANCIAL STATEMENTS
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32.	DIRECT EXPENSES RELATED TO TOURNAMENTS - DOMESTIC	Note	2023 Rupees	2022 Rupees
	Players and officials match fee, allowances and incentives		828,028,286	284,496,860
	Prize money		56,125,862	35,550,000
	Players related other expenses		120,885,209	108,410,927
	Travelling		250,493,546	124,164,253
	Accommodation		540,564,484	440,908,223
	Match and team officials expenses		131,733,023	106,101,795
	Grant for domestic tournaments		51,549,325	-
	Fuel and power		25,620,737	9,771,389
	Match day expenses		31,975,497	5,108,930
	Security expenses		29,298,173	25,368,494
	Catering expenses		66,453,092	69,123,140
	Committees expenses		2,430,625	2,199,629
	Ground rent		13,873,977	11,893,960
	Production cost		557,212,942	312,978,882
	Marketing and advertisement		134,371,800	12,076,625
	Exchange Loss		4,881,937	-
	Others		42,755,444	5,187,037
		32.1 & 32.2	2,888,253,959	1,553,340,144

32.1 These include expenses relating to Pakistan Junior League amounting Rs. 929.089 million.

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

33.	DIRECT EXPENSES RELATED TO TOURNAMENTS - INTERNATIONAL	Note	2023 Rupees	2022 Rupees
	Players match fee, allowances and incentives		135,779,280	67,598,615
	Players related other expenses		44,563,123	31,776,678
	Officials match fee, allowances and incentives		41,006,040	17,314,223
	Travelling		142,219,093	18,873,586
	Accommodation		64,265,401	63,023,220
	Match day expenses		2,774,357	12,846,010
	Catering expenses		9,714,188	12,162,500
	Others		10,450,214	13,898,078
		33.1	450,771,696	237,492,910

33.1 These represent expenses incurred in respect of ICC-Men's T-20 World Cup 2022, ICC U-19 Women's T-20 World Cup, ICC-Women's T-20 World Cup, Commonwealth Games 2022, Men's Asia Cup 2022, Women's Asia Cup 2022 and Emerging Asia Cup (2022: 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)

PAKISTAN CRICKET BOARD
NOTES TO THE FINANCIAL STATEMENTS
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34. DIRECT EXPENSES RELATED TO PAKISTAN SUPER LEAGUE	Note	2023 Rupees	2022 Rupees
Direct costs:			
Event management expenses		218,699,371	70,689,529
Match day expenses		291,457,683	176,859,958
Marketing and advertisement		187,810,294	43,350,432
Security and Anti Corruption Expenses		319,427,920	199,431,290
Prize money		192,400,000	111,249,995
Staff remuneration		48,022,668	13,169,501
Travel and accommodation		52,286,795	161,709,526
Legal and professional		24,138,987	63,201,600
Match officials' expenses		123,476,271	98,206,184
Daily allowance		7,799,125	3,063,000
Liaison and protocol officers' expenses		23,111,075	20,222,802
Digital & Media Expenses		3,845,509	-
Provision for expected credit losses		334,631,846	-
Exchange loss		-	77,592,493
Medical expenses		1,776,280	36,206,185
Repair and maintenance		2,150,144	3,244,101
Provision for obsolete stores and spares	10	6,332,360	-
Others		6,459,200	7,749,146
		1,843,825,528	1,085,945,742
Indirect costs:			
Allocation of indirect costs	34.1 & 4.15	231,358,686	181,318,422
		2,075,184,214	1,267,264,164
34.1	This includes depreciation and amortization expense amounting to Rs. 33.336 million (2022: Rs. 28.663 million).		
35. CRICKET PROMOTIONAL EXPENSES			
	Note	2023 Rupees	2022 Rupees
International			
Central contract fee		319,425,369	226,508,677
Players related other costs		171,201,940	73,184,821
Coach and trainer fee		184,908,048	160,156,456
Committees expenses		21,311,584	23,661,949
PCB Awards		-	1,718,052
Players' training camp		-	228,183
		696,846,941	485,458,138
Domestic			
Central contract fee		411,315,861	365,149,850
Coaching expense		10,801,040	4,220,004
Players development program		135,810,352	107,023,332
Committees expenses		24,362,776	5,402,357
Grants	35.1	54,384,785	49,310,952
		636,674,814	531,106,495
		1,333,521,755	1,016,564,633

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PAKISTAN CRICKET BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023



35.1 Grants to:	Note	2023 Rupees	2022 Rupees
Pakistan Blind Cricket Team		19,775,090	17,974,700
Pakistan Deaf Cricket Team		13,484,772	20,247,731
Pakistan Disable Cricket Team		2,500,000	-
Cricket gears to Districts / Cities / Clubs		4,830,300	-
Ground operations and domestic tournaments		5,444,623	5,995,765
Veterans		8,350,000	5,092,756
		54,384,785	49,310,952
36. ADMINISTRATIVE EXPENSES			
Salaries, wages and other benefits		1,407,164,269	1,141,773,331
Traveling and allowances		39,145,066	24,161,562
Vehicle running expenses		37,537,164	21,520,841
Entertainment		30,433,030	16,195,165
Communication		6,331,267	9,553,825
Committees expenses		32,067,941	1,746,933
Repair and maintenance		131,242,693	72,962,392
Printing and stationery		6,024,353	4,520,258
Insurance		39,836,699	29,852,388
Utilities net of recoveries		131,226,656	90,316,454
Marketing and advertisement		85,550,639	18,763,488
Auditors' remuneration		2,154,830	2,245,152
Legal and professional		159,096,252	98,385,924
Commercialization fee		5,677,508	5,267,310
Rent, rates and taxes		2,437,954	1,341,496
Office security expenses		2,597,615	3,122,575
Fee and subscriptions		9,010,242	3,273,804
Medical expenses		1,104,063	927,930
Cleaning expenses		5,729,646	3,444,794
Grants under Benevolent Fund		5,000,000	2,500,000
Provision for expected credit losses - net		54,906,337	23,882,003
Other expenses		26,945,313	16,215,904
		2,221,219,537	1,591,973,529
Less: Allocation of indirect costs to PSL	4.15	(197,360,490)	(151,973,274)
		2,023,859,047	1,440,000,255

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PAKISTAN CRICKET BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023



		2023 Rupees	2022 Rupees
37. DEPRECIATION AND AMORTIZATION	Note		
<i>Depreciation on:</i>			
- Property and equipment	5.1	271,219,510	232,957,854
- Right of use assets	5.2.2	424,057	497,613
- Investment property	7	38,471,053	32,059,211
		310,114,620	265,514,678
Amortization on intangible assets	8.1	272,536	1,368,420
Less: Allocation of indirect costs to PSL	34.1 & 4.15	(33,335,581)	(28,663,245)
		<u>277,051,575</u>	<u>238,219,853</u>
38. FINANCIAL AND OTHER CHARGES			
Bank charges		1,012,511	1,089,874
Interest expense on lease liabilities		5,157,093	5,259,318
		6,169,604	6,349,192
Less: Allocation of indirect costs to PSL	4.15	(662,615)	(681,903)
		<u>5,506,989</u>	<u>5,667,289</u>
39. TAXATION			
<i>Current tax expense:</i>			
- For the year	39.1	885,397,398	369,589,451
- Prior year		-	23,817,734
		<u>885,397,398</u>	<u>393,407,185</u>

39.1 The current tax expense for the year represents normal tax on taxable income of the Board computed in accordance with provisions of the Income Tax Ordinance, 2001 [the Ordinance] (2022: minimum tax under section 153 of the Ordinance). Current tax expense for the year has been reduced by previously unrecognised available tax credits of prior years relating to minimum tax under section 113 of the Ordinance and alternate corporate tax under section 113C of the Ordinance amounting Rs. 94.892 million and Rs. 410.209 million respectively.

Further, current tax expense for the year includes super tax amounting Rs. 173.148 million (2022: Nil) under section 4C of the Ordinance. Please refer to note 22.1.9 for details on contingencies relating to super tax.

39.2 Relationship between tax expense and surplus for the year

Numerical reconciliation between income tax expense for the year and product of accounting surplus before taxation multiplied by the applicable tax rate is presented below. No numerical reconciliation for the preceding year has been presented as the income tax expense for preceding year represented minimum tax under section 153 of the Ordinance.

	2023 Rupees
Surplus for the year before taxation	3,974,199,922
Tax on above at applicable tax rate of 29%	1,152,517,977
Tax effect of:	
- super tax under section 4C	173,148,304
- amounts that are inadmissible for tax purposes - net	102,807,230
- utilized tax credits	(505,101,309)
- utilized tax losses	(89,016,739)
- others	51,041,935
Current tax expense for the year	<u>885,397,398</u>

		2023 Rupees	2022 Rupees
40. CASH AND CASH EQUIVALENTS	Note		
Investments held at amortized costs - term deposit receipts	16	16,239,347,381	15,638,947,381
Cash and bank balances	17	1,739,140,789	1,438,290,071
		<u>17,978,488,170</u>	<u>17,077,237,452</u>

PAKISTAN CRICKET BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023



41. RELATED PARTY TRANSACTIONS

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

Name and Relationship	Nature of transactions	2023 Rupees	2022 Rupees
Employees Provident Fund Trust (Retirement Benefit Funds)	Contributions	<u>40,659,450</u>	<u>37,996,907</u>
Avant Hotels (Private) Limited (Associate)	Rental income	<u>1,010,590</u>	<u>1,010,590</u>

41.1 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

	2023		2022	
	Najam Aziz Sethi (Chairman MC) 21-Dec to 22 June 23	Ramiz Raja Jul-22 to 21-Dec-22	Ramiz Raja 13-Sep-21 to June-22	Ehsan Mani Jul-21 to 12-Sep-21
	-----Rupees-----			
Rented accommodation	-	-	-	2,230,760
Vehicle allowance & costs on security vehicle:				
- Fuel cost of owned vehicle	-	608,204	252,137	332,338
Driver cost	-	212,108	719,558	196,171
	-	820,312	971,695	528,509
Utility and mobile phone bills	-	639,834	294,049	173,901
Costs of security guards & servants	-	283,870	382,000	326,317
Medical expenses reimbursed	-	23,000	373,332	34,196
Travelling expenses:				
- Daily allowance and accommodation	3,199,852	73,776	442,776	1,512,198
- Travelling	4,760,582	245,721	3,486,403	-
- Meeting Allowance	3,680,000	-	-	-
	11,640,434	319,497	3,929,179	1,512,198
Business entertainment		-	11,656	40,111
	<u>11,640,434</u>	<u>2,086,513</u>	<u>5,961,911</u>	<u>4,845,992</u>

Members of governing board/ Management Committee:

	Management Committee	Governing Board	Governing Board	
Travelling expenses:				
Daily allowance and accommodation	12,504,846	347,881	399,195	467,021
Travelling	2,258,771	83,559	692,918	311,826
	14,763,617	431,440	1,092,113	778,847
Meeting allowance	13,515,000	100,000	670,000	570,000
	<u>28,278,617</u>	<u>531,440</u>	<u>1,762,113</u>	<u>1,348,847</u>

Team members

Salaries and benefits

2023 Rupees	2022 Rupees
<u>66,850,274</u>	<u>72,471,223</u>

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

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42. FINANCIAL RISK MANAGEMENT

42.1 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 top Management of the PCB. They 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:

	2023	2022
Reporting date rate - Rupees per US Dollar	287.10	206.00
Changes in US Dollar Rate	+10%	+10%
Surplus / (deficit) for the year before tax - Rupees	229,206,659	164,159,237

(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.

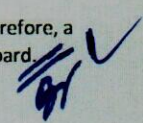
The Board has no significant interest bearing liabilities. The Board's interest rate risk mainly arises from investment in Term Deposit Receipts (TDRs).

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

	2023	2022
<i>Fixed rate instruments</i>	Rupees	Rupees
Financial assets:		
Investments - at amortized cost	<u>16,239,347,381</u>	<u>15,638,947,381</u>
Bank balances - saving accounts	<u>1,731,624,143</u>	<u>1,438,267,295</u>

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	2023	+1.00	162,393,474
		-1.00	(162,393,474)
	2022	+1.00	156,389,474
		-1.00	(156,389,474)
Bank balances - saving accounts	2023	+1.00	17,316,241
		-1.00	(17,316,241)
	2022	+1.00	14,382,673
		-1.00	(14,382,673)

(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:

	2023 Rupees	2022 Rupees
Long term security deposits	8,950,784	9,430,784
Due from sponsors, franchisees, boards and associations	2,900,155,733	3,478,334,011
Loans and advances	66,562,087	267,903,121
Other receivables	1,308,600,524	576,604,647
Short-term investments	16,239,347,381	15,638,947,381
Bank balances	1,731,624,143	1,438,267,295
	<u>22,255,240,652</u>	<u>21,409,487,239</u>

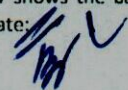
The age of due from sponsors, franchisees, boards and associations and related impairment loss at reporting date was:

	2023 Rupees	2022 Rupees
The age of due from sponsors, franchisees, boards and associations		
Not more than one year	<u>2,900,155,733</u>	<u>3,478,334,011</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, 2023, six parties that owed the Board more than Rs. 2,447 million (2022: seven parties that owed the Board more than Rs. 3,755 million) accounts for approximately 54% (2022: 87%) 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			2023 Rupees	2022 Rupees
	Short term	Long term	Agency		
Al-Baraka Bank Limited	A-1	A+	VIS	4,445,597,313	4,097,303,209
Bank Alfalah Limited	A-1+	AA+	PACRA	80,256,851	69,901,811
Faysal Bank Limited	A-1+	AA	PACRA	286,282,942	177,898,599
JS Bank Limited	A-1+	AA-	PACRA	1,250,000,000	3,750,000,000
MCB Bank Limited	A-1+	AAA	PACRA	173,759,695	107,075,110
Samba Bank Limited	A-1	AA	VIS	3,807,202,296	2,100,000,000
MCB Islamic Bank Limited	A-1	A	PACRA	-	507,202,295
Soneri Bank Limited	A-1+	AA-	PACRA	5,175,000,000	3,000,000,000
United Bank Limited	A-1+	AAA	VIS	11,447,425	5,548,613
National Bank of Pakistan	A-1+	AAA	PACRA	1	11,506,103
Dubai Islamic Bank	A-1+	AA	VIS	-	1,600,000,000
Habib Metropolitan Bank Ltd.	A-1+	AA+	PACRA	2,658,745,086	1,583,745,086
HBL Islamic	A-1+	AAA	VIS	76,857,238	67,033,850
Mobilink Microfinance Bank	A-1	A	PACRA	5,822,677	-
				17,970,971,524	17,077,214,676

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, 2023					
Lease liabilities	54,698,202	482,672,783	5,167,300	20,669,200	456,836,283
Retention Money payable	57,036,201	57,036,201	57,036,201	-	-
Long-term security deposits	18,732,956	18,732,956	-	18,732,956	-
Trade and other payables	4,188,344,200	4,188,344,200	4,188,344,200	-	-
June 30, 2022					
Lease liabilities	55,248,018	491,737,349	5,197,300	20,789,200	29,261,518
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	-	-

42.2 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

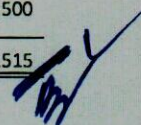
Level 1: The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, 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.

42.3 Financial instruments by categories	2023 Rupees	2022 Rupees
Financial assets - at amortized cost		
Due from sponsors, franchisees, boards and associations	2,900,155,733	3,478,334,011
Advances to employees and players - net	66,562,087	267,903,121
Other receivables	1,308,600,524	576,604,647
Long-term security deposits	8,950,784	9,430,784
Short-term investments	16,239,347,381	15,638,947,381
Cash and bank balances	1,739,140,789	1,438,290,071
	22,262,757,298	21,409,510,015
Financial assets - at fair value through profit or loss		
Long-term investment	37,500	37,500
	22,262,794,798	21,409,547,515



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Financial liabilities - at amortized cost	2023	2022
	Rupees	Rupees
Long-term security deposits	18,732,956	18,732,956
Lease liabilities	54,698,202	55,248,018
Retention money payable	57,036,201	80,684,990
Creditors and other payables	4,188,344,200	5,400,080,339
	<u>4,318,811,559</u>	<u>5,554,746,303</u>

43. CORRESPONDING FIGURES

Corresponding figures have been rearranged or reclassified, wherever necessary, for the purposes of comparison.

44. DATE OF AUTHORIZATION

These financial statements have been authorized for issuance by Board of Governors of PCB on 15-04-24.

45. GENERAL

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

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Chief Financial Officer

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Chief Operating Officer