



**Government of Sindh
Sindh Peoples Housing for Flood Affectees
(SPHF)**



3rd QUARTER REPORT 2023-24



**Government of Sindh
Sindh Peoples Housing for Flood Affectees
(SPHF)**



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**Government of Sindh
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(SPHF)**



Vision and Mission Statement

Vision

To be a leading organization of Sindh in promoting Climate resilient housing solutions, pioneering innovative approaches to rebuild and fortify communities against the devastating impact of climate/ floods, ensuring sustainable and secure living environments for vulnerable population specifically women.

Mission

Our mission is to design, develop, and implement Climate/ flood-resistant housing solutions that prioritize safety, sustainability, and community resilience along with aiming to empower communities specially women by actively involving local stakeholders in the reconstruction process, fostering ownership, and imparting knowledge about sustainable and climate/ flood resilient construction practices.

We are committed to continuous innovation, researching and adopting cutting-edge technologies and resources/ materials that enhance the resilience of housing against Climate/ flood hazards.



Government of Sindh
Sindh Peoples Housing for Flood Affectees
(SPHF)



ORGANIZATION'S INFORMATION

Board of Directors

Mr. Najam Ahmed Shah (Chairperson)
(Chairman P&DB-GoS), Chairman SPHF

Mr. Khalid Hyder Shah (Member)
(Additional Chief Secretary, Local Government Department. – GoS),

Ms. Sadiqa Salahuddin, (Independent director)

Mr. Asad Ullah Sayeed, (Independent director)

Mr. Mudassir Husain Khan, (Member)

Mr. Khalid Mehmood Shaikh, CEO-SPHF

Finance & Audit Committee

Mr. Asad Ullah Sayeed, (Chairperson)

Mr. Manzoor Ali Shaikh (Member)

Mr. Mudassir Husain Khan (Member)

HR Committee

Ms. Mudassir Husain Khan, (Chairperson)

Mr. Shakeel Ahmed Mangnejo (Member)

Mr. Khalid Mehmood Shaikh, (Member)

Technical & Procurement Committee

Mr. Manzoor Ali Shaikh (Chairperson)

Mr. Shakeel Ahmed Mangnejo (Member)

Ms. Sadiqa Salahuddin, (Member)

Banks

National Bank of Pakistan (NBP)
Sindh Bank Limited (SBL)

Auditors

PWC A.F FERGUSONS & Co.
KPMG TASEER HADI & Co.

Chief Finance Officer & Company Secretary

Mr. Jamil Ahmed

Legal Advisor

Haider Mota & Co.

Key Officials

Mr. Malik Najaf Khan, COO

Mr. Imtiaz Ahmed, Chief Procurement Officer

Mr. Jhaman Lalchandani, Social Development Specialist

Mr. Muhammad Shahid Panhwar, M&E Manager

Mr. Muhammad Umair, Finance Manager

Mr. Adeel Ahmed Khan, Disbursement Manager

Mr. Sheraz Azeem Khan, MIS Manager

Ms. Sana Samejo, Communication Specialist

Mr. Muhammad Naveed, Project Engineer

Mr. Syed Jalal Abbas Jaffri, Environment Specialist

Mr. Sayed Shueb Ali Shah, Manager HR & Admin

Officials Address

Address: Bungalow No.20, Block 7/8, Modern
Cooperative Housing Society, Tipu Sultan Road, Karachi.

Website & Face Book

<https://www.facebook.com/sindhpeopleshousing>
<https://www.sphf.gos.pk/>
info@sphf.gos.pk

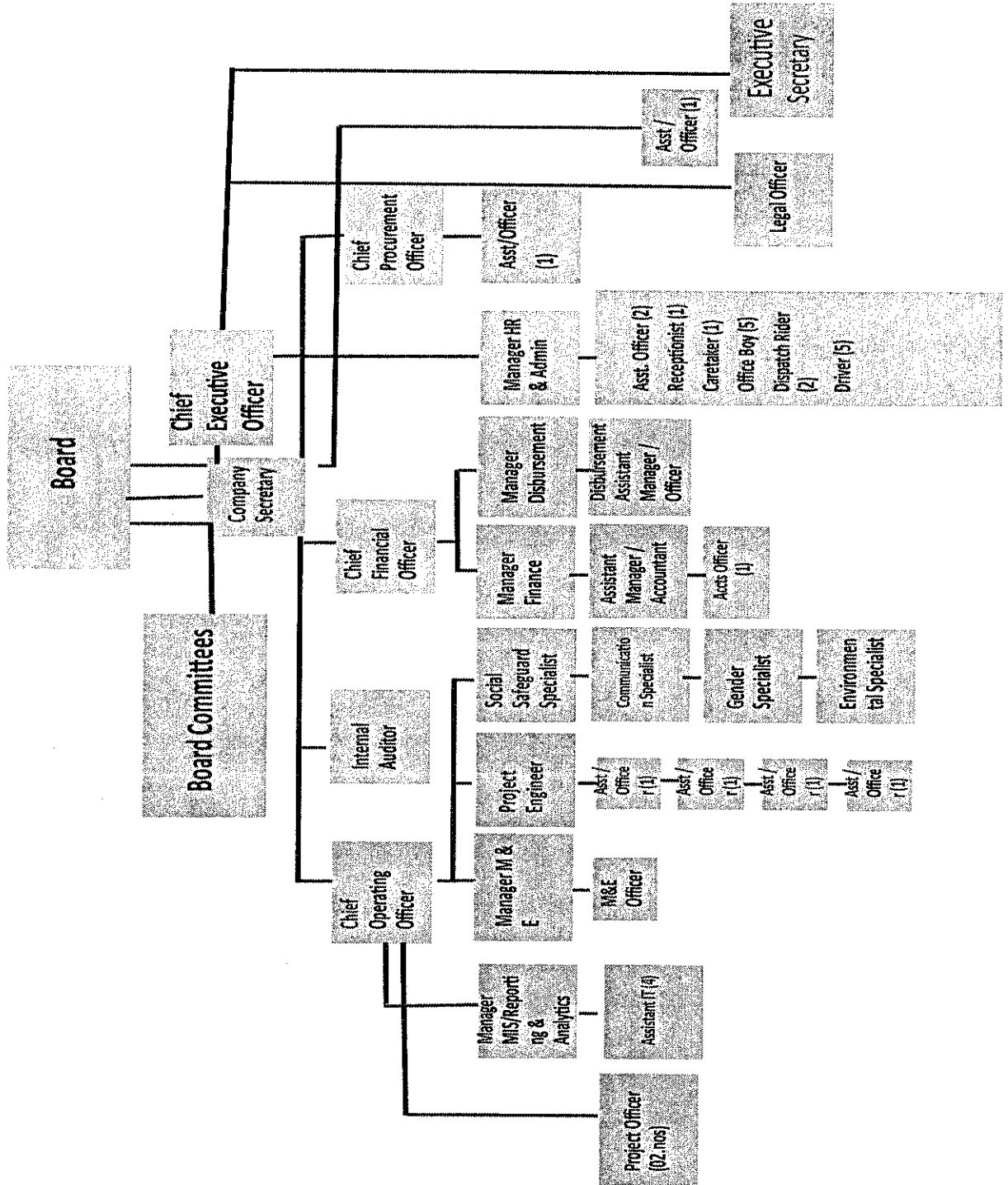


**Government of Sindh
Sindh Peoples Housing for Flood Affectees
(SPHF)**



ORGANOGRAM

SINDH PEOPLES HOUSING FOR FLOOD AFFECTEES-ORGANOGRAM





Government of Sindh
Sindh Peoples Housing for Flood Affectees
(SPHF)



DIRECTOR'S REPORT

FOR THE FINANCIAL YEAR ENDED ON 31st March 2024

DEAR SHAREHOLDERS,

We are pleased to present the Directors' Report along with the audited financial statements for the year 2022-23 of Sindh People Housing for Flood Affectees, SPHF established as a Company under section 42 of the Companies Act, 2017). Company was incorporated on 13th October 2022. SPHF is a not for profit-company established by Government of Sindh to support the flood affected people for reconstruction & repairs of their houses and rehabilitating them to overcome the miseries being faced by them due to disastrous rains in the affected districts of Sindh. Purpose of establishing SPHF is to promote resilient housing solutions, pioneering innovative approaches to rebuild and fortify communities against the devastating impact of floods, ensuring sustainable and secure living environments for vulnerable population.

During the survey estimate that 2 million houses in Sindh were either partially damaged or fully destroyed, accounting for nearly 83 percent of the nationwide total. Per the last pre-floods housing census from 2017, there were around 2,756,499 improperly built structures in Sindh— and assuming linear growth between 1998 and 2017, the number of improperly built structures in Sindh has grown at a rate of about 1.6 percent annually. Coupled with ambiguous ownership status owing to the relative informality of the housing sector in the rural areas of Sindh, the housing sector has fallen to disaster-related adversity. The Sindh People's Housing for Flood Affectees is the biggest and most prodigious housing rehabilitation initiative of its kind!

We continued our relentless efforts towards achieving our mission is to design, develop, and implement flood-resistant housing solutions that prioritize safety, sustainability, and community resilience along with aiming to empower communities by actively involving local stakeholders in the reconstruction process, fostering ownership, and imparting knowledge about sustainable and flood resilient construction practices. We are committed to continuous innovation, researching, and adopting cutting-edge technologies and materials that enhance the resilience of housing against flood hazards.

Major accomplishments: Cash Grants Disbursement as stated in this section, around 50% of damage assessment and verification was submitted to SPHF; hence, the project initiated the transfer of cash grants and processed the cases of eligible beneficiaries for disbursement. The project has established a comprehensive two-stage review process/criterion to assess the eligibility of beneficiaries for cash grant transfers. The compensation for fully destroyed houses will be paid in four installments, PKR. 75,000 as mobilization advance (1st installment), PKR. 100,000 upon plinth level completion (2nd installment), PKR. 100,000 upon walls/lintel completion (3rd installment) and PKR 25,000 upon completion of the roof (4th installment). Each level (plinth, lintel, and roof) of completion is certified by IPs, and accordingly, subsequent installments are released one after the other.



Government of Sindh
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(SPHF)



Stage I: Post Validation Progress After establishing a review process to declare beneficiaries' eligibility, the project started disbursement to the beneficiaries for the reconstruction of houses in the last week of March 2023. At the closing of the reporting period, the project successfully processed the disbursement of 1st installment of PKR 75,000 to 507,206 beneficiaries and 2nd installment of PKR 100,000 to 239,165.

Stage II: Post Plinth Completion Progress After the disbursement of 1st installment to 507,206 beneficiaries, 239,165 beneficiaries were disbursed 2nd installment after their plinth completion certification.

A SUMMARY OF KEY FINANCIAL INDICATORS IS PRESENTED BELOW:

Particulars	Amount in (000)
Total Revenue	77,427,693
Total Expenditure	77,427,693

The Company received funds amounting to Rs. 77,427,693 million through Assignment Accounts. The expenditure incurred during the reporting period, ending 31st March 2024, is Rs. 77,427,693 million (the same has been treated as revenue as revenue in the Financial Statements as per Assignment Accounts procedure).

- Governance and Management:** The Board of Directors continued to provide effective oversight and guidance during the year. The organization adheres to the highest standards of governance, with policies and procedures in place to ensure transparency, accountability, and ethical conduct. The senior management team played a crucial role in implementing the strategic objectives set by the Board. Their dedication and leadership have been instrumental in the organization's success.
- Outlook for the Future:** Looking ahead, the organization will continue to explore new avenues, and initiatives to expand our impact and reach.
- Acknowledgments:** We extend our heartfelt gratitude to our donors, partners, volunteers, and employees for their unwavering support. Their commitment has been pivotal in achieving our goals.
- Financial Statements:** The audited financial statements, including the balance sheet, income statement, and cash flow statement, are attached herewith for your perusal.

In conclusion, we would like to express our appreciation for the continued trust and confidence placed in Sindh Peoples Housing for Flood Affectees (SPHF). As we navigate the challenges and opportunities ahead, we look forward to your continued support.

Sincerely,

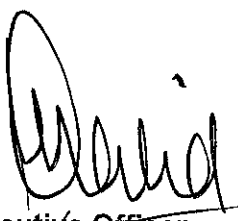
Najam Ahmed Shah Chairperson, Board of Directors, SPHF

SINDH PEOPLES HOUSING FOR FLOOD AFFECTEES

STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2024

	Note	March 31, 2024 (Rupees in '000)	June 30, 2023 (Rupees in '000)
NON - CURRENT ASSETS			
Property and equipment	3	92,973	88,090
Intangible assets	4	68,477	29,488
		<u>161,450</u>	<u>117,578</u>
CURRENT ASSETS			
Deposits, prepayments and others	5	13,150	53,749
Bank balances	6	350,345	384,327
Receivable against liabilities	7	7,454	-
		<u>370,950</u>	<u>438,076</u>
TOTAL ASSETS		<u><u>532,400</u></u>	<u><u>555,654</u></u>
LIABILITIES			
NON-CURRENT LIABILITIES			
Deferred grant			
Grants related to assets	3 & 4	161,450	117,578
CURRENT LIABILITIES			
Unutilised funding		-	40,419
Accounts payable	8	370,950	397,657
		<u>370,950</u>	<u>438,076</u>
TOTAL LIABILITIES		<u><u>532,400</u></u>	<u><u>555,654</u></u>
FUND			
General Fund		<u><u>-</u></u>	<u><u>-</u></u>

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


Chief Executive Officer


Director

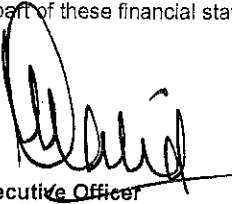

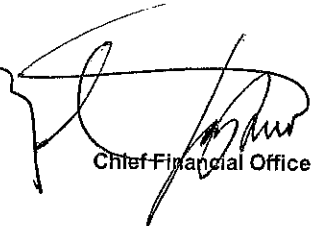

Chief Financial Officer

SINDH PEOPLES HOUSING FOR FLOOD AFFECTEES

**INCOME AND EXPENDITURE STATEMENT
FOR THE PERIOD JULY 01, 2023 TO MARCH 31, 2024**

	Note	For the period July 01, 2023 to March 31, 2024	For the period July 01, 2022 to March 31, 2023	For the period Jan 01, 2024 to March 31, 2024	For the period Jan 01, 2023 to March 31, 2023
(Rupees in '000)					
INCOME					
Funding activities	9	77,427,693	76,269	34,580,599	76,269
OPERATING EXPENDITURE					
Cost of project	10	(77,167,257)	(31,125)	(34,471,567)	(31,125)
General and administrative expenses	11	(260,436)	(45,144)	(109,032)	(45,144)
		(77,427,693)	(76,269)	(34,580,599)	(76,269)
Surplus for the period		-	-	-	-

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

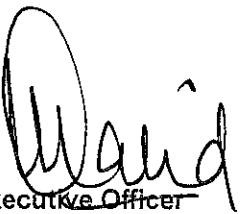

 Chief Executive Officer
 
 Director
 
 Chief Financial Officer


SINDH PEOPLES HOUSING FOR FLOOD AFFECTEES


**STATEMENT OF CHANGES IN NET ASSETS
FOR THE PERIOD JULY 01, 2023 TO MARCH 31, 2024**

	For the period July 01, 2023 to March 31, 2024	For the period July 01, 2022 to March 31, 2023	For the period Jan 01, 2024 to March 31, 2024	For the period Jan 01, 2023 to March 31, 2023
	(Rupees in '000)			
Balance as at June 30, 2023	-	-	-	-
Surplus for the period	-	-	-	-
Balance as at March 31, 2024	-	-	-	-

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


 Chief Executive Officer


 Director


 Chief Financial Officer

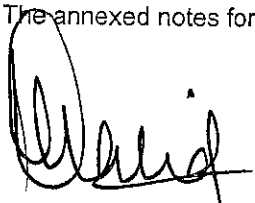
SINDH PEOPLES HOUSING FOR FLOOD AFFECTEES

**STATEMENT OF CASH FLOWS
FOR THE PERIOD JULY 01, 2023 TO MARCH 31, 2024**

	For the period July 01, 2023 to March 31, 2024 (Rupees in '000)	For the period July 01, 2022 to March 31, 2023 (Rupees in '000)
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus for the period		
Adjustments for non cash charges and other items:		
Depreciation & amortization	18,075	1,342
	<u>18,075</u>	<u>1,342</u>
EFFECT ON CASH FLOWS DUE TO WORKING CAPITAL CHANGES		
Increase in current assets:		
Decrease in deposits, prepayments and others	40,599	(779,083)
Increase in current liabilities:		
Decrease in accounts payable	(26,707)	35,923
Increase in unutilized funding	(40,419)	1,180,397
Increase in receivables against liabilities	(7,454)	
Increase in grants related to assets	43,872	33,013
	<u>9,890</u>	<u>470,251</u>
Net cash generated from operating activities	27,965	471,593
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(22,577)	(33,013)
Purchase of intangible assets	(39,370)	-
Net cash used in investing activities	(61,947)	(33,013)
Net increase in cash and cash equivalents		
Cash and cash equivalents at beginning of the period	384,327	-
Cash and cash equivalents at end of the period	<u>350,345</u>	<u>438,580</u>

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


Chief Executive Officer


Director


Chief Financial Officer

SINDH PEOPLES HOUSING FOR FLOOD AFFECTEES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD JULY 01, 2023 TO MARCH 31, 2024

1. LEGAL STATUS AND NATURE OF OPERATIONS

- 1.1 Sindh Peoples Housing For Flood Affectees was incorporated in Pakistan on October 19, 2022 as a public limited company under section 42 of the Companies Act, 2017. The Company has been set up by the Government of Sindh ("GoS") to implement the "Sindh Flood Emergency Housing Reconstruction Project (SFEHRP) with a primary objective of rehabilitation of families affected by floods in 2022 in the province of Sindh.
- 1.2 During the year 2022, a survey was conducted by teams appointed by the Urban Unit of Government of Punjab to gather data of damaged houses in 24 flood affected districts of province of Sindh. As per survey, there are 2 million flood affected houses approximately. Out of which, 1.4 million houses are categorised as fully damaged and 0.6 million houses are categorised as partially damaged. The total estimated cost of reconstruction / repair of these flood affected houses amounts to Rs. 457 billion (USD 1.6 billion) excluding project management and implementation costs.
- 1.3 The International Development Association, a part of the World Bank, under an agreement with the Islamic Republic of Pakistan has provided financing of 389.7 million Special Drawing Rights (SDR) equivalent to USD 500 million for SFEHRP. The closing date for the financing period is June 30, 2027 and repayment of the principal amount by the Government of Pakistan shall commence from May 1, 2028. For this purpose, the Company submits withdrawal application to the World Bank based on six-month cash forecast and specifies the amount in USD and its equivalent in PKR. The approved USD amount is transferred to the State Bank of Pakistan (SBP), which retains the USD and converts it into PKR at the prevailing exchange rate. The SBP transfers equivalent amount in PKR to the provincial government's (GoS) non-food account no. 1, which is earmarked for the Assignment Account maintained for the project with National Bank of Pakistan (NBP).
- Out of the total amount arranged through World Bank, USD 151.1 million (Rs. 48.015 billion) have been received by the SBP till Dec 31, 2023. Out of this amount, SBP has released Rs. 2.1 billion to the Company and the remaining balance will be released whenever required.
- 1.4 In addition to the financing provided by World Bank, GoS has agreed to provide Rs. 50 billion for SFEHRP. Of this amount, Rs. 500 million was initially received from GoS to start the project. Further funding shall be arranged by GoS from its annual budget. Currently, Rs. 25 billion have been allocated for the year 2023-2024.
- 1.5 The PC-1 of the project has been approved by the Executive Committee of the National Economic Council (ECNEC) of Government of Pakistan on January 4, 2023 on the recommendation of Ministry of Planning, Development and Special Initiatives titled "Flood Response Emergency Housing Project". The current PC-1 is approved for Rs. 160 billion (USD 500 million through World Bank & USD 227.27 million from GoS). For the balance amount required for the project, the PC-1 will be subject to revision and approval.

- 1.6 The funds received by the Company from the GoS either through their own budget or through World Bank financing are disbursed onwards to the flood affectees as grant after following verification process. For households classified as fully damaged, a grant of Rs. 300,000 per household is being provided in four installments and for households classified as partially damaged a grant of Rs. 50,000 per household is being provided.
- 1.7 The Company is actively pursuing to arrange the funds from other multilateral financial institutions in order to meet the overall cost of this housing reconstruction project.
- 1.8 The Company also intends to collaborate with UNICEF for the Water, Sanitation & Hygiene (WASH) project which aims to create awareness and shape behaviour of school-going children around health and hygiene, to provide clean water to schools, and to help in construction of latrines in flood affected areas of the province of Sindh.
- 1.9 The registered office of the Company is located at bungalow no. 20, Block 7/8 Modern Cooperative Housing Society, Karachi.
- 1.10 These are the financial statement of the Company from 1st July 2023 to 31st March 2024 having comparative figures where necessary, for the corresponding period of nine months.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these financial statements are set out below.

2.1. BASIS OF PREPARATION

2.1.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Accounting Standards for Not for Profit Organizations (Accounting Standards for NPOs) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

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

2.1.2 Functional and presentation currency

The financial statements are presented in Pakistan Rupees, which is the Company's functional and presentation currency. All amounts have been rounded to the nearest thousand, unless otherwise stated.

2.1.3 Critical accounting estimates and judgements

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to estimates are recognised prospectively. Information about judgments made in applying accounting policies that have the most significant effects on the amount recognised in the financial statements and to the carrying amount of the assets and liabilities and assumptions and estimation uncertainties that may have a significant risk resulting in a material adjustment in the subsequent year are set forth below:

- Property and equipment (note 2.2)
- Intangible assets (note 2.3)

2.1.4 Overall valuation policy

These financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies in then notes below.

2.2 Property and equipment

These are stated at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of an asset. Subsequent costs are included in the asset's carrying amounts or recognised as a separate asset, as appropriate, only when it is probable when future economic benefits associated with the items will flow to the Company and the cost of the item can be measured reliably.

Depreciation on operating assets is charged using the straight line method over its useful life at the rates specified in respective notes in these financial statements. Depreciation on additions is charged from the month in which the asset is put to use and on disposals up to the month immediately preceding the disposal. Assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each Statement of Financial Position date

Company accounts for impairment, where indications exist, by reducing its carrying value to the estimated recoverable amount.

Maintenance and normal repairs are charged to statement of profit or loss as and when incurred. Major renewals and improvements are capitalised and the assets so replaced, if any, are retired.

Gains and losses on disposal of property and equipment are recognised in the statement of profit or loss.

2.3 Intangible assets

An intangible asset is recognised if it is probable that future economic benefits attributable to the asset will flow to the Company and that the cost of such asset can be measured reliably. These are stated at cost less accumulated amortisation and impairment, if any.

Costs that are directly associated with identifiable software and have probable economic benefits exceeding the cost beyond one year, are recognised as intangible assets. Direct costs include the purchase cost of the intangible asset, implementation cost and related overhead cost.

Intangible assets are amortised using the straight-line method over a period of three years or license period, whichever is shorter.

The carrying value of intangible assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists and where the carrying value exceeds the estimated recoverable amount, the assets are written down to their recoverable amount.

Capital work-in-progress is stated at cost accumulated to the balance sheet date less impairment losses, if any. Cost include expenditures directly attributable to the acquisition of an asset. Transfers are made to relevant asset category as and when asset is available for intended use

2.4 Deposits, prepayments and others

These are classified as amortised cost and are initially recognised when they are originated and measured at fair value of consideration receivable. These assets are written off when there is no reasonable expectation of recovery. Actual credit loss experience over past years is used to base the calculation of expected credit loss.

2.5 Bank balances

Bank balances are carried in the statement of financial position at cost. For the purposes of the statement of cash flows, bank balances comprise balances with banks in current accounts.

2.6 Accounts payable

Accounts payable are carried at cost which is the fair value of the consideration to be paid in future for goods and services, whether or not billed to the Company.

2.7 Financial instruments

2.7.1 Initial measurement of financial asset

The Company classifies its financial assets into following three categories:

- fair value through other comprehensive income (FVOCI);
- fair value through profit or loss (FVTPL); and
- measured at amortised cost.

A financial asset is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

Subsequent measurement

Debt Investments at FVOCI

These assets are subsequently measured at fair value. Interest / markup income calculated using the effective interest method and impairment are recognised in the income and expenditure account. Other net gains and

losses are recognised in other comprehensive income. On de-recognition, gains and losses accumulated in other comprehensive income are reclassified to the income and expenditure account.

**Equity Investments at
FVOCI**

These assets are subsequently measured at fair value. Dividends are recognised as income in the income and expenditure account unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in other comprehensive income and are never reclassified to the income and expenditure account.

**Financial assets at
FVTPL**

These assets are subsequently measured at fair value. Net gains and losses, including any interest / markup or dividend income, are recognised in the income and expenditure account.

**Financial assets
measured at
amortised cost**

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, if any. Interest / markup income and impairment, if any, are recognised in the income and expenditure account.

2.7.2 Non-derivative financial assets

All non-derivative financial assets are initially recognised on trade date i.e. date on which the Company becomes party to the respective contractual provisions. Non-derivative financial assets comprise loans and receivables that are financial assets with fixed or determinable payments that are not quoted in active markets and include trade debts, deposits, advances, other receivables and cash and cash equivalents. The Company derecognises the financial assets when the contractual rights to the cash flows from the asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risk and rewards of ownership of the financial assets are transferred or it neither transfers nor retain substantially all of the risks and rewards of ownership and does not retain control over the transferred asset

2.7.3 Impairment of financial asset

The Company recognises lifetime expected credit losses for trade receivables that do not constitute a financing transaction. Expected credit losses (ECLs) are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between cash flows due to the entity in accordance with the contract and cash flows that the Company expects to receive). Life time ECLs are the ECLs that results from all possible defaults events over the expected life of a financial instrument. For all other financial assets, expected credit losses are measured at an amount equal to 12 months' ECLs i.e. ECLs that result from default event that are possible within 12 months after the reporting date.

2.7.4 Financial liabilities

Financial liabilities are initially recognised on trade date i.e. date on which the Company becomes party to the respective contractual provisions. Financial liabilities include mark-up bearing borrowings, unclaimed dividend, accrued mark-up and accounts payable. The Company derecognises the financial liabilities when contractual obligations are discharged or cancelled or expire. Financial liability other than at fair value through profit or loss are initially measured at fair value less any directly attributable transaction cost. Subsequent to initial recognition, these liabilities are measured at amortised cost using effective interest rate method.

2.7.5 Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the financial statements only when the Company has currently legally enforceable right to set-off the recognised amounts and the Company intends either to settle on a net basis or to realise the assets and to settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in normal course of business and in the event of default, insolvency or winding up of the Company or the counter parties.

2.8 Grant

Grants are recorded on receipt basis at their fair value where there is reasonable assurance that all attaching conditions will be complied with, whereas funds required to settle expenses already incurred by the Company are accrued.

3. PROPERTY AND EQUIPMENT

3.1 Operating fixed assets

	Cost			Depreciation			NBV
	As 1st 2023	on Addition Jul during the period	As 31st March 2024	As 1st 2023	on Addition Jul during the period	As 31st March 2024	As on 31st March 2024
	----- Rupees in "000" -----						
Leasehold Improvements	882	-	882	92	222	314	568
Office Equipment	10,173	16,930	27,103	826	2,349	3,174	23,929
Computer and Peripherals	9,738	2,776	12,514	1,193	3,863	5,056	7,458
Furniture and Fixtures	15,220	1,804	17,024	1,259	2,439	3,698	13,325
Motor Vehicles	57,625	1,067	58,692	2,178	8,822	10,999	47,693
Total	93,638	22,577	116,215	5,547	17,695	23,242	92,973

As at June 30, 2023

	As on Additions		As on		As on Accumul		As on 30th	
	October 19,2022	during the period	30th June 2023	on June 2023	ated Depriciat ion	As on 30th June 2023	As on 30th June 2023	As on 30th June 2023
	----- Rupees in "000" -----							
Leasehold Improvements	-	882	882	882	(92)	790	-	882
Office Equipment	-	10,173	10,173	10,173	(826)	9,347	-	10,173
Computer and Peripherals	-	9,738	9,738	9,738	(1,193)	8,545	-	9,738
Furniture and Fixtures	-	15,220	15,220	15,220	(1,259)	13,961	-	15,220
Motor Vehicles	-	57,625	57,625	57,625	(2,178)	55,447	-	57,625
Total	-	93,638	93,638	93,638	(5,548)	88,090	-	93,638

4. Operating Intangible Asset

	Cost			Amortisation			Net Carrying Value
	As 1st 2023	on Addition Jul during the period	As 31st March 2024	As 1st 2023	on Addition Jul during the period	As 31st March 2024	As on 31st March 2024
	----- Rupees in "000" -----						
Software - MS office & Windows	1,368	-	1,368	138	380	518	849
Donor Platform	-	1,130	1,130	-	-	-	1,130
Development CWIP	-	-	-	-	-	-	-
MIS software, Hosting CWIP	7,520	-	7,520	-	-	-	7,520
Intangible Asset - CWIP SAP	20,738	38,240	58,978	-	-	-	58,978
Total	29,625	39,370	68,995	138	380	518	68,477

As at June 30, 2023

	Cost			Amortisation			Net Carrying Value
	As 1st 2022	on Addition Jul during the period	As 31st March 2023	As 1st 2022	on Addition Jul during the period	As 31st March 2023	As on 31st March 2023
	----- Rupees in "000" -----						
Software - MS office & Windows	-	1,368	1,368	-	138	138	1,230
Donor Platform	-	-	-	-	-	-	-
Development CWIP	-	-	-	-	-	-	-
MIS software, Hosting CWIP	-	7,520	7,520	-	-	-	7,520
Intangible Asset - CWIP SAP	-	20,738	20,738	-	-	-	20,738
Total	-	29,626	29,626	-	138	138	29,488

5. DEPOSITS, PREPAYMENTS AND OTHERS

	March 31,2024	June 30,2023
(Rupees in "000")		
Prepayments	6,250	48,015
Deposits - considered good	5,400	5,400
Others	1,500	334
	<u>13,150</u>	<u>53,749</u>

6. BANK BALANCES

Cash at bank		
Current account - note 6.1	348,477	384,327
Asaan Assignment account - note 6.2	-	-
Revoling Fund Assignment account - note 6.3	-	-
Bank ALFALAH LIMITED		
PK64ALFH0030001008942682	1	-
Bank ALFALAH LIMITED		
PK03ALFH0030001008942702	1,868	-
	<u>350,345</u>	<u>384,327</u>

- 6.1 This represents the unutilised amount of funds provided by the GoS to start the project / the Company. This amount has been kept in a current account with Sindh Bank Limited which is a related party of the Company through Government ownership.
- 6.2 The Asaan Assignment account has been opened in National Bank of Pakistan (NBP) to receive the budget allocation of GoS for the project. The amount is available in the account on the requirement basis.
- 6.3 The NBP is the designated bank for handling all transactions of Revolving Fund Assignment (RFA) accounts. The funds received for the Company / the project by SBP from World Bank are transferred to the Company in this account on utilisation basis.

7. Grant receivable against Liabilities

	March 31,2024	June 30,2023
Accounts Payable	370,950	397,657
Cash grant from Government of Sindh	(348,477)	(384,327)
Unutilized Donation	(1,869)	-
Advances, deposits, prepayments and others	(13,150)	(53,749)
	<u>7,454</u>	<u>(40,419)</u>

8. ACCOUNTS PAYABLE

	March 31,2024	June 30,2023
Creditors	362,823	281,954
Accrued liabilities	-	99,266
others	8,127	16,437
	<u>370,950</u>	<u>397,657</u>

9. FUNDING ACTIVITIES	For the period July 01, 2023 to March 31, 2024	For the period July 01, 2022 to March 31, 2023	For the period Jan 01, 2024 to March 31, 2024	For the period Jan 01, 2023 to March 31, 2023
(Rupees in "000")				
Government of Sindh - through World Bank Financing	60,431,111	13,764	26,132,981	13,764
Government of Sindh Donations	16,994,833 1,750	62,505	8,447,618	62,505
	77,427,693	76,269	34,580,599	76,269

10. COST OF PROJECT

Disbursement to beneficiaries - first installment	36,010,650	31,125	11,543,475	31,125
Disbursement to beneficiaries - second installment	23,791,300	-	12,674,400	-
Disbursement to beneficiaries - third installment	14,107,900	-	8,693,200	-
Disbursement to beneficiaries - fourth installment	1,066,650	-	1,062,525	-
Implementation Support through Partner Organizations	2,011,284	-	416,223	-
Environment and Social Safeguards Charges	14,092	-	6,048	-
Independent Technical Verification	46,655	-	10,767	-
Project Implementation Support Consultants	101,849	-	55,609	-
Drone Technology For Geospatial Mapping and Monitoring	1,989	-	-	-
Grievance Redress Management Consultant	9,320	-	7,650	-
Contextualization of training material and training of masons to assess needs of persons with disabilities	5,567	-	1,670	-
	77,167,257	31,125	34,471,567	31,125

11. GENERAL AND ADMINISTRATIVE EXPENSES

Salaries and other benefits	121,355	30,018	47,816	30,018
Depreciation and amortisation	18,075	1,342	3,890	1,342
Rent	8,550	2,700	2,970	2,700
Travelling and conveyance	54,246	4,694	25,756	4,694
Training	85	-	85	-
Conference	3,752	4,139	1,766	4,139
Legal and professional charges	10,229	90	3,076	90
Internal audit fee	7,492	-	3,330	-
Printing and stationary	4,377	858	1,746	858
Insurance	1,140	-	358	-
Utilities	3,759	100	1,567	100
Security	1,080	217	360	217
Repair and maintenance	2,949	-	117	-
I.T. Expense	15,119	87	12,999	87
Others	8,230	900	3,198	900
	260,436	45,144	109,032	45,144

12. Related Party Transactions

Related parties include associated undertakings having common directors and government entities. Details of transactions with related parties are as follows:

March 31,2024 June 30,2023

Name of the related party	Relationship and percentage shareholding	Transactions during the period and period end	March 31,2024	June 30,2023
Sindh Rural Support Organizatio	Associated company by virtue of common directorship	- Services received	642,281	733,455
		- Payments made	442,952	718,654
Sindh Bank Limited	Government entity	- Bank balance	348,477	384,327
Government of Sindh Information Department	Government entity	- Services received	-	546
		- Payments made	163	383
Sindh Insurance Limited	Government entity	- Services received	626	804
		- Payments made	626	804

13. Commitments

An amount of Rs.75,030,300,000 (30th June 2023: Rs.5,964,200,000) is payable on account of 2nd, 3rd and 4th Instalment to beneficiaries to whom 1st Instalment has been paid till 31st March 2024

14. DATE OF AUTHORISATION

These financial statements were authorised for issue by the Board of Directors of the Company on _____


Chief Executive Officer

Director


Chief Financial Officer