

Schedule-III
STATEMENT OF CORPORATE INTENT
Section 8 (4)
FY 2027-29

Sr. No.	Requirement	Response
1	Name of state-owned enterprise	Pakistan Single Window (PSW)
2	Incorporated/established on	15 th April, 2020
3	Subsidiaries included in this statement of corporate intent	PSW does not have any subsidiary.
4	Description of the main business of the state-owned enterprise	<p>The Company's main business is:</p> <ul style="list-style-type: none"> • To act as the operating entity of the Pakistan Single Window (PSW) System in line with the provisions of the PSW Act, 2021; • To provide reliable Information & Communication Technology (ICT) based solutions and services to the Public & Private sectors; and • To assist the Federal Government in exchanging data and information with any other national or international trade body, association, country, regional or global entity.
5	Summary of the business goals of the state-owned enterprise	<p>For the next 3 years, PSW has set the following Strategic Objectives: -</p> <ul style="list-style-type: none"> • Enhancing Pakistan's Trade Competitiveness: By reducing the time and cost of doing business, PSW aims to simplify, harmonize, and digitize all processes related to cross-border trade. • Creating a Comprehensive Digital Trade Ecosystem: Extending beyond customs and regulatory clearances, PSW seeks to integrate logistics, transportation, warehousing, and other services to create a unified digital trade ecosystem. • Strengthening International Linkages and Partnerships: PSW is committed to building stronger international partnerships and regional integrations to boost Pakistan's trade.

		<ul style="list-style-type: none"> • Positioning PSW as a Centre of Excellence: The company aspires to become a national and international leader in trade facilitation, setting new benchmarks for excellence in the sector.
6	Summary of the performance measures and benchmarks against the state-owned enterprise business goals and its primary objective	<p>The primary objective of PSW is to reduce the time and cost of cross-border trade through digitization and process integration.</p> <p>A brief of performance measures and broader strategic goals is enclosed as 'Annex-A'.</p>
7	Summary of the strategies of the state-owned enterprise for achieving its business goals and primary objective	<p>PSW achieves its goals through implementation of various strategies.</p> <p>A brief of strategies used by PSW to achieve its goals and its primary objective is enclosed as 'Annex-B'.</p>
8	The current or anticipated borrowing of the state-owned enterprise, including borrowing by a subsidiary	<p>The Company has not undertaken any borrowing, except for the initial seed funding received from Pakistan Customs' Goods Declaration (GD) Fund, extended as an unsecured, interest-free loan. As at present, the Company neither has any outstanding commercial borrowings nor anticipates raising additional debt, including through any subsidiary, in the foreseeable future. However, if the Company requires to opt for any borrowing arrangement, the same shall be done in accordance with the policies set out by the Board of Directors of the Company.</p>
9	The accounting policies that the state-owned enterprise will apply for financial records and reporting	<p>The Company has established and implemented comprehensive policies, procedures, and manuals to ensure efficient and transparent operations. Financial records and reporting are maintained in full compliance with the State-Owned Enterprises (Governance & Operations) Act, 2023, the State-Owned Enterprises Ownership & Management Policy, 2023, and the Companies Act, 2017, and are prepared in accordance with applicable accounting and financial reporting standards as prescribed from time to time.</p>



10	Summary indicative balance sheet and profit and loss statement for the state-owned enterprise	The Annual Audited Financial Statements for FY 2024-25 are attached as ' Annex-C '.
11	Consolidated summary indicative balance sheet and profit and loss statement for the state-owned enterprise and its subsidiaries as a group	PSW does not have any subsidiary
12	The proposed dividend declaration and distribution policy of the state-owned enterprise	N/A
13	Description of any public service obligations and their impact on the forecasted financial outcomes of the state-owned enterprise	N/A
14	Any other matter directed to be included in this statement by the Federal Government	The Company has not been directed to include any other matter in the statement.



Company Secretary



Chief Executive Officer



Annex-A

Summary of Performance Measures and Benchmarks against Business Goals and Primary Objective

The primary objective of Pakistan Single Window (PSW) is to reduce the time and cost of cross-border trade through digitization and process integration. In pursuit of this objective, PSW adopts the **SMART** framework, ensuring that its goals are **S**pecific, **M**easurable, **A**chievable, **R**elevant, and **T**ime-bound.

To assess performance against this objective and its broader strategic priorities, the following performance measures and benchmarks have been established:

a. Performance Benchmarks Framework

Formal performance benchmarks have been agreed with the Governing Council (GC) through a Memorandum of Understanding (MoU) between the GC and PSW. These benchmarks primarily focus on implementation timelines, deliverables, and milestone-based progress over the 3-Year planning horizon. These benchmarks are primarily linked to the 3-Year Business Plan of the Company.

b. Monitoring & Evaluation Mechanism

A structured Monitoring & Evaluation (M&E) framework, developed with the support of the Asian Development Bank (ADB), enables the Company to:

- Systematically track progress;
- Measure impact on trade facilitation outcomes; and
- Ensure accountability, transparency, and disciplined reporting.

c. Key Performance Indicators & Operational Metrics

PSW utilizes real-time performance dashboards to monitor:

- Key Performance Indicators (KPIs);
- Service levels; and
- System performance across clusters.

d. Performance Management Tools

PSW has deployed a range of tools to evaluate and manage performance, including:

- **Time Release Studies (TRS):** TRS is used to measure trade facilitation efficiency;
- **Impact Assessment Surveys:** These surveys are used to measure user satisfaction and effectiveness; and
- **System Audits:** PSW undergoes a Software Development Lifecycle (SDLC) periodically which ensures Information Technology (IT) governance and system integrity.



e. Output-Based Benchmarks

PSW also uses output-based benchmarks that measure performance through the actual output achieved i.e., minimum number of international engagements per year, advisory services to foreign governments, launch of B2B services and digital products and integration of e-commerce and mobile platform.

f. Institutional Performance Enablers

PSW also measures internal institutional performance with the aim to use effective internal control tools. PSW uses:

- ERP system for internal efficiency, transparency, and controls; and
- Performance monitoring through daily reporting, user feedback, and service metrics.

Conclusion:

Performance is measured through a combination of implementation milestones, service delivery KPIs, user-centric indicators, and institutional efficiency metrics, all aligned with strategic objectives of trade facilitation, ecosystem development, and organizational excellence.



Annex-B

Summary of Strategies for Achieving Business Goals and Primary Objective

Pakistan Single Window (PSW) adopts a multi-dimensional strategy that translates its overarching mission into structured and executable initiatives. The strategic framework is designed to drive digital transformation, institutional strengthening, and sustainable growth in line with its primary objective of facilitating cross-border trade. Following are some of the strategies used by PSW to achieve its business goals:

a. Strategic Direction (Core Pillars)

PSW's strategic direction is anchored in the following core pillars:

- Digitization and simplification of cross-border trade processes;
- Development of a comprehensive digital trade ecosystem;
- Expansion of international partnerships and integration; and
- Positioning PSW as a centre of excellence.

b. Cluster-Based Implementation Model

The Business Plan is operationalized through seven (07) distinct clusters, each aligned with specific strategic objectives and functional mandates:

- **PSW Core:** Core operational and platform activities;
- **PSW Digital Customs:** Transformation of Web-Based One Customs (WeBOC);
- **PSW Trade Connect:** Trade-related and allied service offerings;
- **PSW Global:** International engagement and outreach;
- **PSW Excellence:** Organizational excellence and capacity-building initiatives;
- **PSW Special Initiatives:** Targeted interventions to strengthen industry linkages; and
- **PSW Infrastructure:** Development and management of physical and technological infrastructure, including data centers and connectivity.

All these clusters are linked to PSW's strategic objectives. Segregation into clusters allows a focused implementation model along with segregated responsibilities and performance management.

c. Ecosystem Expansion Strategy

PSW aims to progressively expand its digital ecosystem to enable end-to-end trade facilitation. Key initiatives include the deployment of Portverse - Port Community System (PCS) and the development of an Airport Community System (ACS). The ecosystem expansion encompasses integration of:

- Logistics, transport etc.;

- E-commerce platforms; and
- Private sector B2B services.

d. Internationalization Strategy

PSW seeks to establish itself as a model public-sector platform both domestically and internationally. This is pursued through:

- Participation in global forums and partnerships;
- Advisory services to foreign governments; and
- Cross-border data exchange and regional integration initiatives.

e. Organizational Excellence & Governance

PSW is committed to maintaining high standards of governance and institutional effectiveness, supported by:

- IT governance and data management;
- Information security frameworks (adoption of ISO standards);
- Quality management systems;
- Organizational risk management (adoption of ISO standards); and
- Corporate governance frameworks (adoption of Securities & Exchange Commission of Pakistan's (SECP) and the Central Monitoring Unit's (CMU) corporate governance framework).

f. Human Capital Strategy

Recognizing human capital as a critical enabler, PSW focuses on:

- Continuous upskilling and reskilling of its workforce;
- Merit-based recruitment and performance management systems; and
- Utilization of HR analytics for strategic workforce planning and alignment.

g. Implementation Approach

PSW follows a phased and adaptive implementation approach to ensure effective rollout and stakeholder alignment. This includes:

- Phased deployment of systems and services with active stakeholder engagement;
- A structured change management and communication framework; and
- Proactive risk identification and mitigation through systematic planning.

Conclusion:

Collectively, these strategies provide a coherent and scalable roadmap for achieving PSW's business goals and primary objective, ensuring sustained impact in trade facilitation, digital transformation, and institutional development.



Annex-C

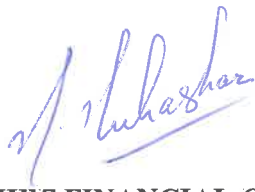
PAKISTAN SINGLE WINDOW
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

**PAKISTAN SINGLE WINDOW
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025**

	Note	2025 (Rupees)	2024 (Rupees)
FUNDS AND LIABILITIES			
FUNDS			
Funds		338,336,397	360,883,951
Loan from sponsor	5	2,197,718,390	2,197,718,390
		2,536,054,787	2,558,602,341
NON CURRENT LIABILITIES			
Lease liabilities	6	114,637,397	117,026,091
Deferred capital grant	7	1,544,644,220	80,043,135
Deferred tax liability	8	28,245,496	28,618,281
		1,687,527,113	225,687,507
CURRENT LIABILITIES			
Creditors, accrued and other liabilities	9	189,593,041	149,069,911
Advance from customers	10	1,819,816,960	-
Provision for taxation		-	149,672,248
Current portion of lease liabilities		91,886,810	63,585,369
Staff post-retirement benefit	12	5,439,813	9,087,985
		2,106,736,624	371,415,513
CONTINGENCIES AND COMMITMENTS			
	13	-	-
TOTAL FUNDS & LIABILITIES		<u>6,330,318,524</u>	<u>3,155,705,361</u>
ASSETS			
NON CURRENT ASSETS			
Property and equipment	14	1,293,604,930	463,211,248
Right of use assets	15	180,672,115	158,496,813
Intangibles	16	2,541,016,463	1,402,433,378
Long term deposits	17	26,062,560	19,362,004
		4,041,356,068	2,043,503,443
CURRENT ASSETS			
Trade and other receivables	18	318,424,496	243,240,308
Advances and prepayments	19	176,187,192	107,677,366
Short term investment	20	-	300,000,000
Tax refund due from the Government	11	28,590,352	-
Cash and bank balances	21	1,765,760,416	461,284,244
		2,288,962,456	1,112,201,918
TOTAL ASSETS		<u>6,330,318,524</u>	<u>3,155,705,361</u>

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


CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER


DIRECTOR

**PAKISTAN SINGLE WINDOW
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30 JUNE 2025**

	Note	2025 (Rupees)	2024 (Rupees)
INCOME			
Amortization of deferred capital grant	7	860,740,931	2,428,119
Income from operations	22	1,576,448,034	1,286,113,553
Other income	23	298,331,599	372,756,666
		2,735,520,564	1,661,298,338
EXPENDITURE			
Operating expenses	24	1,512,737,411	750,433,540
Administrative expenses	25	262,060,077	206,324,039
Amortization of deferred capital grant	26	860,740,931	2,428,119
Finance costs	27	21,383,787	12,339,922
		2,656,922,206	971,525,620
Surplus before minimum tax and income tax		78,598,358	689,772,718
Minimum tax / Government levy	28	(102,756,490)	-
(Deficit) / surplus before income tax		(24,158,132)	689,772,718
Income tax	29	1,610,578	(209,563,950)
(Deficit) / surplus for the year		(22,547,554)	480,208,768

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

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CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER


DIRECTOR

**PAKISTAN SINGLE WINDOW
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025**

	2025 (Rupees)	2024 (Rupees)
(Deficit) / surplus for the year	(22,547,554)	480,208,768
Other comprehensive income for the year	-	-
Total comprehensive (loss) / income for the year	<u><u>(22,547,554)</u></u>	<u><u>480,208,768</u></u>

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CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER


DIRECTOR

**PAKISTAN SINGLE WINDOW
STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED 30 JUNE 2025**

	Amount in Rupees		
	Funds	Sponsor's Loan	Total
Balance as on 01 July 2023	(119,324,817)	2,197,718,390	2,078,393,573
Surplus for the year	480,208,768	-	480,208,768
Other comprehensive income for the year	-	-	-
Balance as on 30 June 2024	360,883,951	2,197,718,390	2,558,602,341
Deficit for the year	(22,547,554)	-	(22,547,554)
Other comprehensive income for the year	-	-	-
Balance as on 30 June 2025	338,336,397	2,197,718,390	2,536,054,787

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CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER


DIRECTOR

**PAKISTAN SINGLE WINDOW
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025**

	Note	2025 (Rupees)	2024 (Rupees)
CASH FLOWS FROM OPERATING ACTIVITIES			
Surplus before minimum tax and income tax		78,598,358	689,772,718
<i>Adjustment of non-cash / non-operating activities</i>			
Depreciation on operating fixed assets		76,315,105	15,288,555
Depreciation on right of use assets		55,822,189	22,077,321
Amortization of intangibles	24.4	113,887,040	-
Receivable of Sindh Excise fee written off		-	20,317,400
Interest on saving accounts and short-term investments		(54,260,444)	(199,634,485)
Staff retirement-benefits expense for the year		57,598,440	30,925,747
Amortization of deferred capital grant	7	860,740,931	2,428,119
Income on amortization of deferred capital grant		(860,740,931)	(2,428,119)
Gain on disposal of operating fixed asset		(52,000)	
Finance costs		21,383,787	12,339,922
Operating cashflows before changes in working capital		349,292,475	591,087,178
<i>Changes in working capital</i>			
Increase in trade and other receivables		(100,623,674)	(156,603,143)
Increase in advances and prepayments		(68,509,826)	(60,028,938)
Increase in creditors, accrued and other liabilities		40,523,130	60,828,177
Advance from customers		1,819,816,960	-
Cash generated from operations		2,040,499,065	435,283,274
Staff post-retirement benefits paid	12.1	(61,246,612)	(91,321,720)
Finance costs paid		(31,724,616)	(22,457,070)
Income tax paid		(279,781,297)	(37,381,244)
Cash generated from operating activities		1,667,746,540	284,123,240
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment against acquisition of operating fixed assets		(27,865,804)	(106,693,886)
Receipt against disposal of operating fixed assets		52,000	-
Payment against capital expenditure on intangibles		(573,848,417)	(532,362,999)
Payment receipt against long term deposits		(6,700,556)	(8,936,570)
Interest on saving accounts and short-term investments received		79,699,930	174,178,995
Payment against capital work in progress		(52,929,100)	(253,397,953)
Cash used in investing activities		(581,591,947)	(727,212,413)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of principal against lease liabilities		(81,678,421)	(49,437,623)
Cash used in financing activities		(81,678,421)	(49,437,623)
Increase / (decrease) in cash and cash equivalents during the year		1,004,476,172	(492,526,796)
Cash and cash equivalents at the beginning of the year		761,284,244	1,253,811,040
Cash and cash equivalents at the end of the year	21.3	1,765,760,416	761,284,244

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

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CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER


DIRECTOR

**PAKISTAN SINGLE WINDOW
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

1. CORPORATE AND GENERAL INFORMATION

1.1. LEGAL STATUS AND OPERATIONS

Pakistan Single Window (“the company”) was incorporated on April 15, 2020 with Securities and Exchange Commission of Pakistan (SECP) under Section 42 of the Companies Act, 2017. The objective of the company is to facilitate efficient imports, exports, international transit and matters ancillary thereto, across Pakistan’s national territory and notified international borders.

Federal Board of Revenue - Pakistan Customs was operating the National Single Window project through Pakistan Revenue Automation (Private) Limited (PRAL) by providing funds for operational expenses to be incurred in implementing the project. Since there was no act for the project implementation, therefore Pakistan Single Window Act, 2021 was promulgated on April 13, 2021, and in so far as relevant to the intent and objects of this Act, it was necessary to establish a separate entity, thus Pakistan Single Window (PSW) became the operating entity of the project owned by the Government of Pakistan, through its lead agency, Pakistan Customs.

Geographical locations and addresses of the business units are as under:

Location	Purpose
2nd Floor, NTC Building, Sector G-5/2 Islamabad Urban Islamabad Capital Territory (I.C.T.).	Registered office / Head office
Ground Floor, NESPAK Building, Sector G-5/2 Islamabad Urban Islamabad Capital Territory (I.C.T.).	Branch office
4th Floor, Bahria Complex-III M.T. Khan Road, Karachi	Branch office
6th Floor, Bahria Complex-I M.T. Khan Road, Karachi	Branch office
5th Floor, Bahria Complex-I M.T. Khan Road, Karachi	Branch office

2. BASIS OF PREPARATION

2.1. 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's) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Accounting standards for Not-for-profit organization (NPOs) as issued by Institute of Chartered Accountants of Pakistan,
- Provisions of and the directives issued under the Companies Act, 2017 and State Owned Enterprise (Governance and Operations) Act, 2023.

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

2.2. Accounting convention

These financial statements have been prepared under the "historical cost" convention. Moreover, these financial statements have been prepared on accrual basis except for cash flows information.

2.3. Functional and presentation currency

These financial statements are presented in Pak Rupees, which is the functional currency of the company.

2.4. Material estimates and judgements

The preparation of financial statements in conformity with the International Financial Reporting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgement about carrying value of

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assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which they are revised if the revision affects only that period, and any future periods affected.

Material areas requiring the use of management estimates in these financial statements relate to the capitalized development cost. However, assumptions and judgements made by management in the application of accounting policies that have material effect on the financial statements are not expected to result in material adjustment to the carrying amounts of assets and liabilities in the next year.

3. STANDARDS, INTERPRETATIONS AND AMENDMENTS TO THE APPROVED ACCOUNTING STANDARDS

- 3.1. There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Company's annual accounting period which began on July 1, 2023. However, these do not have any significant impact on the Company's financial statements except as disclosed in note 4 to these financial statements.
- 3.2. Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company:

		Effective date
IAS 1	Presentation of Financial Statements (Amendments)	January 1, 2024
IAS 7	Statement of Cash Flows (Amendments)	January 1, 2024
IFRS 16	Leases (Amendments)	January 1, 2024
IAS 21	The Effects of changes in Foreign Exchange Rates (Amendments)	January 1, 2024
IFRS 7	Financial Instruments: Disclosures (Amendments)	January 1, 2026
IFRS 17	Insurance Contracts	January 1, 2026
IFRS 9	Financial Instruments – Classification and Measurement of Financial Instruments (Amendments)	January 1, 2026

- 3.3. The above standards, amendments to approved accounting standards and interpretations are not likely to have any material impact on the Company's financial statements.

- 3.4. Other than the aforesaid standards, interpretations and amendments, International Accounting Standards Board (IASB) has also issued the following standards and interpretation, which have not been noticed locally or declared exempt by the Securities and Exchange Commission of Pakistan (SECP) as at 30 June 2024;

IFRS 1	First-time Adoption of International Financial Reporting Standards
IFRIC 12	Service Concession Arrangement
IFRS 18	Presentation and Disclosures in Financial Statements
IFRS 19	Subsidiaries without Public Accountability: Disclosures

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The material accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied during the period, unless otherwise stated.

4.1. Property and equipment

i. Owned assets

Property and equipment are stated at cost less accumulated depreciation and any impairment losses. Depreciation is charged by applying straight-line method over the remaining useful life of the assets.

Depreciation on additions to property and equipment is charged from the month in which an asset is acquired/ capitalized, while no depreciation charged for the month in which asset is disposed off.

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ii. Right of use assets

The company recognizes the right of use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right of use assets are measured at cost less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right of use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets will be depreciated over the shorter of its estimated useful life or the lease term.

iii. Capital work in progress

Capital work in progress is stated at cost less any identified impairment losses. It represents expenditure incurred on assets during construction, installation and development phase. Cost also includes applicable borrowing costs under IAS 23 or other relevant IFRS, if and when applicable. These expenditures will be transferred to the relevant asset's category as and when assets are available for use.

4.1.1. Impairment of assets

Management assesses at each statement of financial position date whether there is any indication that assets are impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying values exceed the respective recoverable amount, assets are written down to their recoverable amounts and the resulting impairment loss is recognized in statement of income and expenditure. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Where an impairment loss is recognized, the depreciation charge is adjusted in the future periods to allocate the asset's revised carrying amount over its estimated useful life.

4.1.2. Subsequent costs

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 asset will flow to the company and the cost of the asset can be measured reliably. All other repair and maintenance costs are charged to statement of income and expenditure during the period in which they are incurred.

4.1.3. Gains or losses

Gains or losses on disposal of assets, if any, are included in statement of income and expenditure as and when incurred.

4.2. Intangible assets

Research and development expenditure

Research costs are expensed out as incurred. 'Development' costs are expensed out as incurred unless technical and commercial feasibility of the development is demonstrated, it is probable that future economic benefits will flow to the company, the company has an intention and ability to complete and use or sell the software and cost can be measured reliably.

There are two components of intangible assets:

- In-house developed intangible assets
- Intangible assets acquired from market

(i) In-house developed intangible assets

The cost of an internally generated intangible asset comprises all directly attributable costs necessary to create, produce and prepare the asset to be capable of operating in the manner intended by the management. After initial recognition, internally generated intangible assets are carried at cost less accumulated amortization and impairment losses.

Amortization is charged so as to allocate the cost of assets over their estimated useful lives, using the straight-line method at the rates specified in note 16 to the financial statements.

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Development costs that are directly attributable to the design and testing of identifiable, controlled development project of an intangible asset are recognized as intangible assets when the following criteria are met:

- it is technically feasible to complete the intangible asset so that it will be available for use
- management intends to complete the intangible asset and use or sell it;
- there is an ability to use or sell the intangible asset;
- it can be demonstrated how the intangible asset will generate probable future economic benefits adequate technical, financial and other resources to complete the development and to use or sell the intangible asset are available; and
- the expenditure attributable to the intangible asset during its development can be reliably measured.

Capitalized development costs are recorded as intangible assets and amortized from the point at which the asset is ready for use.

(ii) Intangible assets acquired from market

Intangible assets acquired separately are initially recognized at cost. After initial recognition, these are measured at cost less accumulated amortization and accumulated impairment losses. Costs associated with routine maintenance of intangible assets are recognized as an expense when incurred. However, costs that are directly attributable to identifiable intangible assets and which enhance or extend the performance of intangible assets beyond the original specification and useful life is recognized as capital improvement and added to the original cost of the software.

Amortization is charged so as to allocate the cost of assets over their estimated useful lives, using the straight-line method at the rates specified in note 16 to the financial statements.

(iii) Intangible assets received as grant

Intangible assets received as government grants are initially recognized at their fair value. Where fair value cannot be reliably measured, such assets are recorded at a nominal value. The corresponding credit is recognized as deferred income and amortized to income and expenditure on a systematic basis over the useful life of the related intangible asset, consistent with the amortization method applied to the asset.

4.3. Long term deposits

Long term deposits shall be shown at recoverable value and will also be adjusted to their estimated value by means of the write down reserve, if any.

4.4. Income recognition

The company follows IFRS-15 for the recognition of revenue for its revenue streams.

The company determines revenue recognition using the following step-wise approach:

- Identification of the contract, or contracts, with a customer;
- Identification of the performance obligations in the contract;
- Determination of the transaction price;
- Allocation of the transaction price to the performance obligations in the contract; and
- Recognition of revenue when, or as, a performance obligation is satisfied.

The company has following primary revenue stream:

- Upfront fee – a prescribed application processing fee, fixed by the Governing Council and notified to management from time to time, shall be charged to the traders/clearing agents who submits an online application for subscription to the PSW electronic platform and for any subsequent change/update thereon.
- Single declaration fee – a prescribed fee, fixed by the Governing Council and notified to management from time to time, shall be charged to the customer who submits a GD for imports/exports using Pakistan Single Window electronic platform.

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4.4.1. Grants

Grants are recognized when there is reasonable assurance that the grant will be received and all the attached conditions will be complied with.

4.4.2. Grant related to expense

When the grant relates to an expense item, it is recognized as an income over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate.

4.4.3. Grant related to asset

Grants related to assets, including non-monetary grants at fair value, are presented in the balance sheet by setting up the grant as "Capital Grant". An amount equivalent to the depreciation for each year on such assets is credited to income and expenditure statement in the same year in which the depreciation is charged.

4.4.4. Other income

Return on investment & saving accounts

Income on investments at amortized cost and bank deposits are recognized on time proportion basis using the effective interest method.

Reimbursements from Pakistan Customs

Income from Pakistan Customs is recognized on an accrual basis for reimbursements under the WeBOC agreement against quarterly invoices made to Pakistan Customs.

4.5. Loan from sponsor

This represents unconditional, unsecured and interest free loan from Pakistan Customs (sponsor) - related party, which will be payable on the discretion of the company and is consider as part of equity.

4.6. Creditors, accrued and other liabilities

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

4.7. Advances from customer

Amounts received in advance against rendering of services are recognized as a liability. These advances are subsequently adjusted against income when the related services are rendered.

4.8. Related party transactions

Transactions with related parties are carried out at arm's length and priced at comparable uncontrolled market price unless stated otherwise.

4.9. Cash and cash equivalents

Cash and cash equivalents comprise of cash in hand and at current or remunerative accounts held with banks, fixed deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an immaterial risk of changes in value.

10. Offsetting of financial assets and liabilities

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

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4.11. Advances and prepayments

These all will be shown at recoverable value and will also be adjusted to their estimated realizable value by means of the write down reserve, if any.

4.12. Trade and other receivable

Trade debts and other receivables are classified as financial assets at amortized cost and subsequently measured at amortized cost less allowance for expected credit loss and impairment if any. Other receivables are recognized at cost which is fair value of the consideration to be received in the future.

4.13. Loans and borrowings

After initial recognition, interest-bearing loans and borrowings, if any, are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognized in the statement of income and expenditure and liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of income and expenditure. Other financial liabilities are also subsequently measured at amortized cost using the EIR method. Interest expense and foreign exchange gains and losses are recognized in the statement of income and expenditure. Any gain or loss on de-recognition will also be recognized in the statement of income and expenditure.

4.14. Lease liabilities

At the commencement date of the lease, the company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The variable lease payments that do not depend on an index or a rate are recognized as expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities are increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities are re-measured in case of a modification, a change in the lease term, in-substance fixed lease payments or the assessment to purchase the underlying asset.

Short-term leases and leases of low-value assets

The company applies the short-term leases and leases of low-value assets as per relevant accounting standard (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

Material judgement in determining the lease term of contracts with renewal options

The company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The company will apply judgement in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the company reassesses the lease term if there is a material event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (e.g. a change in business strategy).

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4.15. Provisions

Provisions are recognized when the company has a present legal or constructive obligation as a result of past event and, it is probable that an outflow of resources embodying economic benefits are required to settle the obligation and reliable estimate of the amount could be made. Provisions are reviewed at each statement of financial position date and adjusted to reflect the current best estimate.

4.16. Fair value

The fair value of financial instruments that are actively traded in organized financial markets are determined but reference to quoted market bid prices at the close of business on the statement of financial position date. Where there is no active market, fair value is determined using valuation techniques. Such techniques include using recent arm's length market transaction; reference to the current market value of another instrument, which has substantially similar characteristics, discounted cash flow analysis or other valuation models.

4.17. Contingencies and commitments

Contingencies

Contingency represents a condition, situation or set of circumstances involving a possible loss that will ultimately be resolved when one or more future events occur or fail to occur e.g. litigation, disallowances, performance bond, credit guarantee, actual or possible claims or assessments etc.

These determinations are frequently very difficult to make and require an informed judgement on the best information available before the release of the financial statements. Information considered in making these determinations includes the views of legal counsel and other experts, past experience of the State or others in similar situations, qualitative factors relevant to the entity that has issued the guaranteed obligations, and intentions of the company (whether, for example, an appeal of an adverse court decision will be made). Disclosure generally is not required when the likelihood of a loss is remote, unless there is extreme materiality or unusual circumstances involved warranting the disclosure of such.

Commitments

The Board understands that certain liabilities may not exist as of the statement of financial position date, but due to an agreement or contractual obligation, may arise as commitments to certain revenue expenses for future fiscal year or projected capital expenditures over a period of time at a future date.

4.18. Staff retirement benefits

Voluntary pension scheme

The company operates a voluntary pension scheme for all eligible employees, for whom equal monthly contribution are made to the fund by the company at the rate of 8.33% of the basic pay. The company's contribution is charged to statement of income and expenditure.

4.19. Taxation

4.19.1. IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes', Issued by the Institute of Chartered Accountants of Pakistan (ICAP):

This guidance is issued in the context of provisions of Income Tax Ordinance, 2001 and should be applied by Companies obliged to use accounting and reporting standards as applicable in Pakistan. This application guidance describes the accounting treatment for minimum taxes and final taxes.

Before the issuance of this guidance, minimum taxes and final taxes are accounted for and presented as income taxes within the scope of IAS 12, "Income Taxes". As required under this guidance, the minimum taxes and final taxes are not calculated on the 'taxable profits' as defined in IAS 12 but calculated on turnover or other basis (as per relevant sections of Income Tax Ordinance, 2001), it should be accounted for under IAS 37/IFRIC 21 as levies and not under IAS 12 as income taxes.

The companies will apply the requirements of this guidance retrospectively which will result in reclassification of amounts previously classified as 'current income tax' in the statement of profit or loss to

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'levy' and 'final taxes'. The application of this guidance has no impact on the measurement and recognition of income taxes under the provisions of the Income Tax Ordinance, 2001 except for the presentation of amounts into levy, final taxes and income tax in these financial statements.

4.19.2. Current tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the statement of financial position date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

4.19.3. Deferred tax

Deferred tax is accounted for using the statement of financial position approach in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and corresponding tax bases used in the computation of the taxable income. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary difference, unused tax losses and tax credits can be utilized.

4.20. Financial Instruments - Initial recognition and subsequent measurement

4.20.1. Recognition

Financial assets and liabilities are recognized at the time the company becomes a party to contractual provisions of the instrument.

The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

4.20.2. Classification of financial assets

The company classifies its financial instruments in the following categories:

- at fair value through profit or loss (FVTPL),
- at fair value through other comprehensive income (FVTOCI), or
- at amortized cost.

The company determines the classification of financial assets at initial recognition. The classification of instruments (other than equity instruments) is driven by the company's business model for managing the financial assets and their contractual cash flow characteristics.

Financial assets that meet the following conditions are subsequently measured 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.

Financial assets that meet the following conditions are subsequently measured at FVTOCI:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the 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.

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

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Classification of financial liabilities

The company classifies its financial liabilities in the following categories:

- at fair value through profit or loss (FVTPL); or
- at amortized cost.

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the company has opted to measure them at FVTPL.

4.20.3. Subsequent Classification

Financial assets at fair value through other comprehensive income (FVTOCI)

Elected investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs.

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value, and subsequently carried at amortized cost, and in the case of financial assets, less any impairment.

Financial assets and liabilities at fair value through profit and loss (FVTPL)

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of profit or loss and other comprehensive income. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statement of profit or loss and other comprehensive income in the period in which they arise.

4.20.4. De-recognition

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

4.20.5. Off-setting

Financial assets and liabilities are off set when the company has a legally enforceable right to offset and intends to settle either on a net basis and to realize the asset or settle the liability simultaneously.

4.20.6. Impairment

A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an "incurred loss" event) and that loss event has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be readily estimated.

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	Note	2025 (Rupees)	2024 (Rupees)
5 LOAN FROM SPONSOR			
Balance as at 01 July		2,197,718,390	2,197,718,390
Loan from sponsor received during the year		-	-
Balance as at 30 June	5.1	<u>2,197,718,390</u>	<u>2,197,718,390</u>
5.1 This represents unconditional, unsecured and interest free loan from Pakistan Customs (sponsor) - related party, which is payable at the discretion of the company, the transaction is outside the normal course of business.			
6 LEASE LIABILITIES			
Balance as at 01 July		180,611,460	138,514,959
Additions to lease liability		107,591,168	91,534,124
Finance cost relating to lease liabilities	6.2	31,565,734	22,295,061
Payments made during the year		(113,244,155)	(71,732,684)
		<u>206,524,207</u>	<u>180,611,460</u>
Current portion of lease liabilities		(91,886,810)	(63,585,369)
Balance as at 30 June		<u>114,637,397</u>	<u>117,026,091</u>
6.1 These represents lease contracts for offices situated in Karachi and Islamabad used in its operations and had estimated lease terms between 3 to 5 years. These are discounted using borrowing rate ranging from 8% to 23.19% of the Company.			
6.2 Finance cost recognition			
Amount recognized in income and expenditure	27	21,224,905	12,177,913
Amount recognized in intangibles	16.1	10,340,829	10,117,148
		<u>31,565,734</u>	<u>22,295,061</u>
6.3 Maturity analysis of lease liabilities			
Up to one year		91,886,810	63,585,369
One to three year		114,637,397	117,026,091
Total lease liability		<u>206,524,207</u>	<u>180,611,460</u>
7 DEFERRED CAPITAL GRANT			
Balance as at 01 July		80,043,135	82,471,254
Received during the year - related to data centre		2,325,342,016	-
Amortization charge for the year representing depreciation on related items	14.1.1	(312,912)	(734,822)
Amortization - related to data centre & licenses		(856,441,508)	(1,693,297)
Amortization - internally developed software - PSDP		(3,986,511)	-
Balance as at 30 June		<u>1,544,644,220</u>	<u>80,043,135</u>
		Related to Data Centre	Related to Intangible
		2025	2025
		(Rupees)	(Rupees)
Balance as on July 01,		-	80,043,135
Additions during the year		2,325,342,016	-
Amortization charge for the year representing depreciation on related items		-	(312,912)
Amortization - related to data centre & licenses		(856,441,508)	(3,986,511)
		<u>1,468,900,508</u>	<u>75,743,712</u>
			<u>80,043,135</u>
8 DEFERRED TAX LIABILITY			
Taxable temporary differences			
Property and equipment		28,971,921	-
Intangible development cost		8,601,761	57,426,070
Internally generated software		71,262,340	-
ROU assets		52,394,913	45,964,076
Deductible temporary differences			
Data centre licenses		(120,588)	-
Property and equipment		-	(8,452,665)
Lease liabilities		(59,892,020)	(52,377,323)
Tax losses		(50,216,341)	-
Tax credits		(22,756,490)	(13,941,877)
		<u>28,245,496</u>	<u>28,618,281</u>

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	Note	2025 (Rupees)	2024 (Rupees)
8.1 Movement in respect of deferred tax balance during the year			
Balance as at 01 July		28,618,281	-
Add: charge during the year-statement of income and expenditure		(372,785)	28,618,281
		<u>28,245,496</u>	<u>28,618,281</u>
9 CREDITORS, ACCRUED AND OTHER LIABILITIES			
Creditors		27,996,663	38,647,019
Accrued expenses		46,403,883	41,445,692
Withholding income tax payable		28,358,831	12,543,959
Guarantee deposits payable		3,444,758	4,021,253
Withholding sales tax payable		1,217,088	143,477
Audit fee payable		98,600	98,600
Other liabilities	9.1	82,073,218	52,169,911
		<u>189,593,041</u>	<u>149,069,911</u>
9.1 This represents the amount credited by the National Bank of Pakistan in the company's account. The management has taken up the matter with the management of National Bank as the management believes that this amount has been wrongly credited into the company's account.			
10 ADVANCE FROM CUSTOMERS			
Advance from Pakistan Customs	10.1	1,707,316,960	-
Advance from Export Development Fund (EDF)	10.2	112,500,000	-
		<u>1,819,816,960</u>	<u>-</u>
10.1 Advance from Pakistan Customs			
Balance as on 01 July		-	-
Received during the year		2,000,000,000	-
Adjusted during the year against WeBoc expense		(326,745,660)	-
Interest accrued during the year		34,062,620	-
Balance as on 30 June		<u>1,707,316,960</u>	<u>-</u>
This represents advances received against operations, maintenance, upgradation, and implementation of the Pakistan Customs computerized system (WeBOC), as disclosed in Notes 18 & 21.2. The interest accrued during the year relates to the profit earned on the bank account in which the advance is held.			
10.2 This represents advance received under the MoU from Export Development Fund (EDF) for development and implementation of digital initiatives, export facilitation and value-added services through PSW portal. The amount has been recognised as a liability and will be settled against reimbursable project expenditures in line with the agreed Schedule of Charges (SOC).			
11 (TAX REFUND DUE FROM GOVERNMENT) / PROVISION FOR TAXATION			
Balance as at 01 July		149,672,248	23,088,616
Charge for the year		102,756,490	180,449,584
Prior year adjustment		(1,237,793)	496,085
Income tax paid during the year		(279,781,297)	(37,381,244)
Adjustment of prior year advance income tax		-	(16,980,793)
Balance as at 30 June		<u>(28,590,352)</u>	<u>149,672,248</u>
12 STAFF POST-RETIREMENT BENEFITS			
Contributory Voluntary Pension Scheme	12.1	5,439,813	9,087,985
		<u>5,439,813</u>	<u>9,087,985</u>
12.1 Contributory Voluntary Pension Scheme			
Balance as at 01 July		9,087,985	-
Expense for the year		57,598,440	16,471,458
Payments during the year		(61,246,612)	(7,383,473)
		<u>5,439,813</u>	<u>9,087,985</u>
12.1.1 Contributions to the VPS is made at 8.33% of the salary by the employer which the final discharge of the company's liability in respect of the staff post-retirement benefit.			

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	Note	2025 (Rupees)	2024 (Rupees)
13 CONTINGENCIES AND COMMITMENTS			
13.1 Contingencies			
There are no significant contingencies as on reporting date.			
13.2 Commitments			
Capital commitments - property and equipment		209,230,250	120,703,512
Capital commitments - development costs		205,425,819	170,100,000
		<u>414,656,069</u>	<u>290,803,512</u>
14 PROPERTY AND EQUIPMENT			
Operating fixed assets	14.1	1,292,118,683	209,813,295
Capital work in progress	14.2	1,486,247	253,397,953
		<u>1,293,604,930</u>	<u>463,211,248</u>
14.1 OPERATING FIXED ASSETS			
See attached schedule		<u>1,292,118,683</u>	<u>209,813,295</u>
14.2 CAPITAL WORK IN PROGRESS			
Balance as at 01 July		253,397,953	-
Additions during the year			
IT equipment and accessories		52,929,100	253,397,953
Transferred to operating fixed assets during the year			
Operating fixed assets		(213,002,418)	-
Data centre intangible (licenses)		(91,838,388)	-
Balance as at 30 June		<u>1,486,247</u>	<u>253,397,953</u>
15 RIGHT OF USE ASSET			
This represents right of use asset obtained on lease as referred to in note 6. These are being depreciated over the lease term. Reconciliation of the carrying amount is as follows:			
Cost			
Balance as at 01 July		295,472,914	204,391,598
Additions during the year		107,591,168	91,081,316
Balance as at 30 June		<u>403,064,082</u>	<u>295,472,914</u>
Accumulated depreciation			
Balance as at July 01		(136,976,101)	(85,454,400)
Charge for the year:			
NTC building		(36,261,015)	(15,366,876)
Bahria Complex III - 4th Floor		(9,001,548)	(9,001,545)
NESPAK		(8,052,520)	(6,710,445)
Bahria Complex I - 6th Floor		(14,255,360)	(5,939,734)
Bahria Complex I - 5th Floor		(17,845,423)	(14,503,101)
Balance as at 30 June		<u>(222,391,967)</u>	<u>(136,976,101)</u>
Carrying value as at 30 June		<u>180,672,115</u>	<u>158,496,813</u>
15.1 Right-of-use assets are depreciated on a straight-line basis over the lease term of 3 to 6 years, as the lease term is shorter than the useful life of the underlying assets.			
15.2 Allocation of depreciation			
Depreciation charged to operating expenses		19,561,174	6,710,445
Depreciation charged to administrative expenses		36,261,015	15,366,876
Depreciation capitalized in development cost		29,593,677	29,444,380
		<u>85,415,866</u>	<u>51,521,701</u>

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16 INTANGIBLES

	Note	Development Cost (Note 16.1 & 16.2)	Internally Developed Software (Note 16.2)	Data Centre Licenses (Note 16.10)	Total
COST		764,927,477	-	-	764,927,477
		637,505,901	-	-	637,505,901
	Balance as at 30 June 2024	1,402,433,378	-	-	1,402,433,378
	Addition during the year	686,344,457	-	780,552,188	1,466,896,645
	Transfer	(1,796,230,064)	1,796,230,064	-	-
	Balance as at 30 June 2025	292,547,771	1,796,230,064	780,552,188	2,869,330,023
ACCUMULATED AMORTIZATION		-	-	-	-
		-	-	-	-
	Balance as at 30 June 2024	-	-	-	-
	Charge for the year	-	89,811,503	238,502,057	328,313,560
	Balance as at 30 June 2025	-	89,811,503	238,502,057	328,313,560
		1,402,433,378	-	-	1,402,433,378
		292,547,771	1,706,418,561	542,050,131	2,541,016,463
		-	10%	33%	
16.1 Additions in development costs during the year					
Salaries and benefits	16.4		549,966,461	511,308,004	
Allowances to OGAs	16.5		1,080,000	2,154,995	
Development cost - Port Community System	16.7		40,325,800	18,900,000	
Depreciation	16.6		79,879,687	95,025,754	
Rent			-	-	
Finance cost related to lease	16.8		10,340,829	10,117,148	
Development tools	16.9		4,751,680	-	
			686,344,457	637,505,901	

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	Note	2025 (Rupees)	2024 (Rupees)
16.2 Break-up of transfer during the year:			
Salaries and benefits		1,452,395,265	-
Allowances to OGAs		33,811,449	-
Depreciation		223,062,465	-
Rent		33,026,289	-
Finance cost related to lease		35,517,735	-
Development tools		18,416,861	-
		1,796,230,064	-
16.3 ALLOCATION OF AMORTIZATION			
Amortization of data centre grant		210,440,009	-
Amortization of capital grant - intangible		3,986,511	-
Operating expenses		113,887,040	-
		328,313,560	-

The company is internally developing software for the implementation of Pakistan Single Window Programme, which is in development phase.

- 16.4 This represents salaries paid to IT employees of the company, working on the internally generated software.
- 16.5 This represents allowances paid to Other Government Agencies, which are capitalized to development cost, as they are part of implementation of the Pakistan Single Window programme.
- 16.7 This represents payment made to Systems Limited for software design, development, inception, and integration of the Port Communication System, including support services.
- 16.6 This includes depreciation charged on right of use asset Bahria Complex I, Bahria Complex III and property and equipment which are directly attributable for the purpose of development of intangibles. (Note 14, 14.1)
- 16.8 This includes finance cost of lease liabilities related to Bahria Complex I and Bahria Complex III.
- 16.9 This includes the acquisition of Microsoft 365 Business Basic, Dot Access, ClickUp, and other development tools.
- 16.10 This includes licenses acquired for data centre during the year with useful life of three years.

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	Note	2025 (Rupees)	2024 (Rupees)
17 LONG TERM DEPOSITS			
Security deposits - leases		22,703,060	16,404,560
Security deposits - others		3,359,500	2,957,444
		<u>26,062,560</u>	<u>19,362,004</u>
18 TRADE AND OTHER RECEIVABLES			
Trade receivables, considered good.			
Pakistan Customs	18.1	125,871,242	206,718,805
Others	18.2	192,537,250	11,066,013
Interest receivable		16,004	25,455,490
		<u>318,424,496</u>	<u>243,240,308</u>
18.1	This represents receivable against reimbursement of expenses incurred on operations, maintenance, upgradation and implementation of Pakistan Customs computerized system (WeBOC). This will be adjusted against advance given by Pakistan Customs after due verification by them.		
18.2 Others			
Treasury single account (Funds Swapping from NBP)	18.2.1	167,917,365	-
Cess receivable	18.2.2	18,943,844	-
Receivable from SBP (DAP)		1,192,226	9,372,500
1 link (Guarantee) Limited		2,827,815	1,693,513
Operating receivable		1,656,000	-
		<u>192,537,250</u>	<u>11,066,013</u>
18.2.1	This represents a receivable arising under the TSA Sweeping Deposit Account arrangement, whereby daily closing balances are transferred to a transitory account and redeposited in the National Bank on the following day in accordance with Cash Management & Treasury Single Account Rules, 2024 (Chapter 4).		
18.2.2	Cess fee relates to cross-border trade transactions facilitated through PSW under Memoranda of Understanding with respective provinces. PSW issues monthly invoices, and the amounts charged vary in accordance with the terms of the MOUs.		
19 ADVANCES AND PREPAYMENTS			
Advances to supplier and staff		10,804,412	2,504,421
Advance sales tax		89,244,226	-
Prepayments	19.1	76,138,554	105,172,945
		<u>176,187,192</u>	<u>107,677,366</u>
19.1	This represents prepayments in respect of insurances, subscription and licenses.		
20 SHORT TERM INVESTMENT			
Investments in term deposit receipts	20.1	-	300,000,000
20.1	This represents an investment in a TDR at 19.70% with a three-month maturity, which is matured during the year.		
21 CASH AND BANK BALANCES			
Cash in hand		462,122	276,389
Cash at bank			
Current accounts		72,334,415	249,151,354
Saving accounts	21.1	175,945,201	211,856,501
		248,279,616	461,007,855
Restricted bank account - saving	21.2	1,517,018,678	-
		<u>1,765,760,416</u>	<u>461,284,244</u>
21.1	The saving accounts earned interest at rates ranging from 2.8% to 19% per annum (2024: 10% to 20.51%).		
21.2	This amount represents an advance from Pakistan Customs for WeBOC-related expenses, maintained in a separate savings account. Utilization and reimbursements are subject to Pakistan Customs' approval, and any interest earned belongs to Pakistan Customs.		
21.3 Cash and cash equivalents			
Cash and cash equivalents comprise of:			
Short term investment	20	-	300,000,000
Cash and bank balances	21	1,765,760,416	461,284,244
		<u>1,765,760,416</u>	<u>761,284,244</u>

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	Note	2025 Rupees	2024 Rupees
22 INCOME FROM OPERATIONS			
PSW fee on ET collection		170,110,799	21,523,711
Certification fee		55,294,416	24,623,525
Verification fee		145,066	282,628
Less: Sales tax		(16,110,756)	(1,206,311)
		<u>209,439,525</u>	<u>45,223,553</u>
Upfront fee		16,494,506	31,006,500
Single declaration fee		1,350,514,003	1,209,883,500
		<u>1,576,448,034</u>	<u>1,286,113,553</u>
23 OTHER INCOME			
Financial asset			
Return on short term investments		11,358,140	105,752,546
Return on saving accounts		42,902,304	93,881,939
		54,260,444	199,634,485
Non financial asset			
Reimbursement from Pakistan Customs		239,904,228	171,291,606
Gain on disposal of operating fixed assets		52,000	-
Miscellaneous		4,114,927	1,830,575
		244,071,155	173,122,181
		<u>298,331,599</u>	<u>372,756,666</u>
24 OPERATING EXPENSES			
Salaries, allowances and other benefits	24.1	792,145,804	348,408,647
Subscription and licenses		291,222,747	171,036,797
Travelling and conveyance		60,447,730	40,263,994
Legal and professional charges		8,236,737	31,985,653
Training and capacity building		23,050,945	21,844,168
Insurance expense		38,561,106	23,350,120
Third party services	24.2	47,696,891	36,839,448
Receivable of Sindh Excise fee written off		-	20,317,400
Commission charges		9,406,772	14,194,299
Office supplies		14,839,631	12,026,838
Utilities		14,544,641	10,690,132
Depreciation	24.3	78,867,267	6,710,445
Amortization of intangibles	24.4	113,887,040	-
Entertainment expenses		6,443,324	3,729,940
Tendering cost		1,378,451	2,875,231
Printing and stationery		3,480,054	2,050,117
Media management		5,711,563	1,830,719
Recruitment expenses		1,817,334	1,657,126
Courier and postage		999,374	622,466
		<u>1,512,737,411</u>	<u>750,433,540</u>
24.1 Salaries, allowances and other benefits includes post retirement benefit contributions paid by the employer.			
24.2 This amount represents outsourced staff and call center for customer care charges.			
24.3 Depreciation			
Depreciation on property and equipment	14.1.1	59,306,093	-
Depreciation on right of use assets	15.2	19,561,174	6,710,445
		<u>78,867,267</u>	<u>6,710,445</u>
24.4 Amortization of intangibles			
Data centre		28,062,048	-
Internally developed software		85,824,992	-
	16.3	<u>113,887,040</u>	<u>-</u>

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	Note	2025 Rupees	2024 Rupees
25 ADMINISTRATIVE EXPENSES			
Salaries, allowances and other benefits	25.1	147,903,613	126,152,024
Directors' fee	25.2	3,200,000	2,610,000
Travelling and conveyance		25,884,127	19,889,449
Depreciation	25.3	53,270,027	30,655,431
Insurance expenses		10,619,068	9,500,590
Repair and maintenance		3,271,115	5,162,377
Utilities		11,970,847	8,789,175
Auditors' remuneration	25.4	185,800	185,800
Others		5,755,480	3,379,193
		<u>262,060,077</u>	<u>206,324,039</u>
25.1 Salaries, allowances and other benefits includes post retirement benefit contributions paid by the employer.			
25.2 It represents meeting fee paid to directors.			
25.3 Depreciation			
Depreciation on property and equipment	14.1.1	17,009,012	15,288,555
Depreciation on right of use asset - NTC building	15.2	36,261,015	15,366,876
		<u>53,270,027</u>	<u>30,655,431</u>
25.4 Auditors' remuneration			
Annual audit fee		98,600	98,600
Half-yearly review fee		87,200	87,200
		<u>185,800</u>	<u>185,800</u>
26 AMORTIZATION OF DEFERRED CAPITAL GRANT			
Related to data centre (hardware & intangible)		856,441,508	-
Operating fixed assets		312,912	734,822
Licenses		-	1,693,297
Internally developed software		3,986,511	-
		<u>860,740,931</u>	<u>2,428,119</u>
27 FINANCE COSTS			
Bank charges		158,882	162,009
Finance charges		21,224,905	12,177,913
		<u>21,383,787</u>	<u>12,339,922</u>
28 MINIMUM TAX / GOVERNMENT LEVY			
Minimum tax		102,756,490	-
28.1 This represents minimum tax paid under section 113 and 153 (1)(b) of Income Tax Ordinance (ITO, 2001), representing levy in terms of requirements of IFRIC 21/IAS 37.			
29 TAXATION			
Current tax		-	180,449,584
For the year		(1,237,793)	496,085
Prior year adjustment		(1,237,793)	180,945,669
Deferred tax		(372,785)	28,618,281
		<u>(1,610,578)</u>	<u>209,563,950</u>
29.1 Reconciliation of current tax charged			
Current tax liability for the year		102,756,490	180,449,584
Portion of current tax liability as per IAS 12		-	(180,449,584)
Portion of current tax representing levy as per IFRIC 21/IAS37		(102,756,490)	-
Difference		<u>-</u>	<u>-</u>
29.2 The aggregate of minimum and normal income tax amounting to Rs. 102,756,490/- (2024: 180,449,584/-) represents tax liability of the company calculated under the relevant provisions of the Income Tax Ordinance, 2001.			

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30 FINANCIAL INSTRUMENT AND RELATED DISCLOSURES

30.1 Financial risk factors and management policies

The company's activities expose it to a variety of financial risks, market risk including currency risk, other price risk and interest rate risk, credit risk and liquidity risk. The company'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 Board of Directors (the Board). The Board provides principles for overall risk management, as well as policies covering specific areas such as currency risk, other price 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 the changes in foreign exchange rate. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies. The company is not exposed to currency risk.

(ii) Other price risk

Other price risk represents the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instruments or its issuer, or factors affecting all similar financial instruments traded in the market. The company is not exposed to commodity price risk.

(iii) Interest rate risk

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

	2025 (Rupees)	2024 (Rupees)
Fixed rate instrument		
Financial liabilities		
Lease liabilities	206,524,207	180,611,460
Financial assets		
Short term investments	-	300,000,000
Floating rate instrument		
Financial assets		
Bank balances-Saving accounts	1,692,963,879	211,856,501

Cashflow sensitivity for variable interest rates

Management of the Company estimates that decrease/ increase of 100 base point in the market interest rate, with all other factors remaining constant, would increase/decrease the Company's net income before tax profits by Rs. 16,929,639 /- (2024: Rs.Rs.2,118,565 /-). However, in practice, the actual results may differ from the sensitivity analysis.

Cashflow sensitivity for variable interest rates

The company 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 profit or loss of the company.

(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:

Long term deposits	17	26,062,560	19,362,004
Trade and other receivables	18	318,424,496	243,240,308
Advances	19	10,804,412	2,504,421
Short term investments	20	-	300,000,000
Bank balances	21	1,765,298,294	461,007,855
		<u>2,120,589,762</u>	<u>1,026,114,588</u>

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The company seeks to minimize the credit risk exposure through having exposures only to customers considered credit worthy and obtaining securities where applicable. Outstanding receivable are regularly monitored. The credit quality of financial assets that are neither past due nor impaired can be assessed by the reference to the 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 reporting date:

Bank Name	Rating			2025	2024
	Short term	Long term	Agency	-----Rupees-----	
Habib Bank Limited	A1+	AAA	VIS	1,716,894,596	411,605,057
National Bank Limited	A1+	AAA	VIS	8,670,995	31,992,571
Faysal Bank Limited	A1+	AA+	VIS	21,198,755	12,260,945
Meezan Bank Limited	A1+	AAA	VIS	18,533,948	5,149,282
				1,765,298,294	461,007,855

Due to Board's good business relationships with these counterparties and after giving due consideration to their strong financial standing, the management does not expect non-performance by these counterparties on their obligations to the Board.

The credit risk is therefore, minimal.

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The entity'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 without incurring unacceptable losses. The Government of Pakistan has agreed to support Pakistan Single Window for operational costs.

	2025			2024		
	Up to one year	After one year	Total	Up to one year	After one year	Total
	-----Rupees-----					
Creditors, accrued and other liabilities	189,593,041	-	189,593,041	149,069,911	-	149,069,911
Staff post-retirement benefit	5,439,813	-	5,439,813	9,087,985	-	9,087,985
Lease liabilities	91,886,810	114,637,397	206,524,207	63,585,369	117,026,091	180,611,460
	286,919,664	114,637,397	401,557,061	221,743,265	117,026,091	338,769,356

Fair values of financial assets and liabilities

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

Financial instruments by categories

Financial assets as per statement of financial position

	Note	At Amortized Cost	
		2025	2024
		Rupees	Rupees
Long term deposits	17	26,062,560	19,362,004
Trade and other receivables	18	318,424,496	243,240,308
Short term investment	20	-	300,000,000
Cash and bank balances	21	1,765,760,416	461,284,244
		2,110,247,472	1,023,886,556
Financial liabilities as per statement of financial position			
Lease liabilities	6	206,524,207	180,611,460
Creditors, accrued and other liabilities	9	189,593,041	149,069,911
Staff post-retirement benefit	12	5,439,813	9,087,985
		401,557,061	338,769,356

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31 CAPITAL RISK MANAGEMENT

As required by the State Owned Enterprises (Governance and Operations) Act 2023, the Company's objective when managing capital is to safeguard the Company's ability to continue as going concern so that it can continue to provide benefits for other stakeholders, and to maintain a strong capital base to support the sustained development of its businesses. The Company manages its capital structure by monitoring return on net assets and makes adjustments to economic conditions. The Company also monitors capital using a gearing ratio, which is net debt, interest bearing loans and borrowings including finance cost thereon (if any), less cash and bank balances.

	Note	2025 Rupees	2024 Rupees
Debt		206,524,207	180,611,460
Equity		2,536,054,787	2,558,602,341
		<u>2,742,578,994</u>	<u>2,739,213,801</u>
Gearing ratio		8%	7%

32 RELATED PARTIES TRANSACTION AND BALANCES

32.1 Transactions with related parties

The related party comprises the chief executive/ director, executives and associated undertakings of the company. Further, Pakistan Single Window and its Lead agency - Pakistan Customs are related party to each other. The company in the normal course of business carried out transactions with related party unless otherwise stated. Remuneration of chief executive, directors and key management personnel's are disclosed in note 27.

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

Entity	Relationship	Nature of transactions	2025 (Rupees)	2024 (Rupees)
Pakistan Customs	Lead agency as per PSW Act 2021	Reimbursable expenses incurred on behalf of <u>Pakistan Customs (Other income)</u>	239,904,228	171,291,606
		Reimbursable of faulty SAN Drives to <u>Pakistan Customs</u>	-	5,878,784
		Adjustment of faulty SAN Drivers to Pakistan Customs	5,878,784	-
		Advance received against WEBOC	2,000,000,000	-

32.2 Balances with related parties

Entity	Relationship	Nature of balance	2025 (Rupees)	2024 (Rupees)
Pakistan Customs	Lead agency as per PSW Act 2021	Sponsor's loan outstanding - Payable	2,197,718,390	2,197,718,390
		Receivable against reimbursement of <u>expenses incurred on behalf</u>	125,871,242	206,718,805
		Remaining advance balance received against WEBOC	1,707,316,960	-

33 REMUNERATION OF DIRECTORS, CHIEF EXECUTIVE (CEO) AND EXECUTIVES

The aggregate amount charged in the financial statements for remuneration, including all benefits to CEO, directors and executives of the Company are as follows.

	2025				2024			
	CEO	Directors	Executives	Total	CEO	Directors	Executives	Total
	-----Rupees-----							
Meeting fee	-	3,200,000	-	3,200,000	-	2,550,000	-	2,550,000
Managerial remuneration	31,850,004	-	874,468,301	906,318,305	28,183,338	-	442,423,365	470,606,703
Medical allowance	120,000	-	5,666,694	5,786,694	-	-	80,190	80,190
Fuel/ conveyance allowance	922,392	-	65,656,375	66,578,767	672,555	-	25,306,487	25,979,042
Connectivity allowance	-	-	3,088,851	3,088,851	120,000	-	4,599,434	4,719,434
COLA allowance	-	-	-	-	-	-	912,850	912,850
EOBI	22,200	-	4,221,350	4,243,550	19,200	-	1,829,060	1,848,260
Provident fund	-	-	-	-	1,367,402	-	22,708,069	24,075,471
VPS fund	1,777,624	-	48,803,827	50,581,451	-	-	-	-
Leave fair assistance	889,168	-	24,750,502	25,639,670	683,976	-	11,821,071	12,505,047
Leave encashment	671,230	-	13,532,622	14,203,852	671,230	-	10,568,488	11,239,718
Festive allowance	2,654,167	-	73,618,322	76,272,489	2,041,667	-	35,884,485	37,926,152
	<u>38,906,785</u>	<u>3,200,000</u>	<u>1,113,806,844</u>	<u>1,155,913,629</u>	<u>33,759,368</u>	<u>2,550,000</u>	<u>556,133,499</u>	<u>592,442,867</u>
Number of persons	1	7	196		1	8	100	109

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34 NUMBER OF EMPLOYEES

Number of persons employed as on the year end
Average number of persons employed for the year

2025	2023
299	242
271	212

35 CORRESPONDING FIGURES

The following corresponding figures have been reclassified for the purpose of better presentation.

FROM	TO	AMOUNT (Rs.)
STATEMENT OF FINANCIAL POSITION		
CURRENT ASSETS		
CASH AND BANK BALANCES		
Saving accounts	CASH AND BANK BALANCES Current accounts	12,260,945

36 DATE OF AUTHORIZATION

These financial statements were approved and authorized for issue on 25th September, 2025 by the board of directors.

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CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER


DIRECTOR

14.1 OPERATING FIXED ASSETS

	Furniture and Fixtures	Computers and IT Equipment	Leasehold Improvement	Electric Equipment	Data Centre Equipment	Total	
COST	Balance as at 01 July 2023	26,550,127	79,993,786	120,124,667	21,523,878	-	248,192,458
	Addition during the year	6,274,810	82,693,684	8,281,254	9,444,138	-	106,693,886
	Balance as at 30 June 2024	32,824,937	162,687,470	128,405,921	30,968,016	-	354,886,344
	Additions during the year	2,687,074	22,601,733	2,270,577	306,420	1,396,343,602	1,424,209,406
	Disposals during the year	-	(693,790)	-	-	-	(693,790)
	Balance as at 30 June 2025	35,512,011	184,595,413	130,676,498	31,274,436	1,396,343,602	1,778,401,960
ACCUMULATED DEPRECIATION	Balance as at 01 July 2023	6,356,941	37,603,775	11,958,102	7,549,481	-	63,468,299
	Charge for the year	5,588,787	44,468,780	24,187,717	7,359,466	-	81,604,750
	Balance as at 30 June 2024	11,945,728	82,072,555	36,145,819	14,908,947	-	145,073,049
	Charge for the year	6,973,934	46,484,912	26,014,151	8,743,851	253,687,170	341,904,018
	On disposals	-	(693,790)	-	-	-	(693,790)
	Balance as at 30 June 2025	18,919,662	127,863,677	62,159,970	23,652,798	253,687,170	486,283,277
Carrying value as at 30 June 2024	20,879,209	80,614,915	92,260,102	16,059,069	-	209,813,295	
Carrying value as at 30 June 2025	16,592,349	56,731,736	68,516,528	7,621,638	1,142,656,432	1,292,118,683	
Annual rate of depreciation on straight line basis	20%	33%	20%	33%	20%		
				Note	2025 (Rupees)	2024 (Rupees)	
14.1.1 ALLOCATION OF DEPRECIATION							
Depreciation related to deferred capital grant				7	312,912	734,822	
Depreciation charged to operating expenses				24.3	59,306,093	-	
Depreciation charged to administrative expenses				25.3	17,009,012	15,288,555	
Depreciation capitalized in development cost					50,286,010	65,581,373	
Amortization of grant related to data centre					214,989,991	-	
					341,904,018	81,604,750	

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