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**AUDITORS' REPORT
TO THE MEMBERS OF
RAWALPINDI WASTE MANAGEMENT COMPANY**

Opinion

We have audited the annexed financial statements of "RAWALPINDI WASTE MANAGEMENT COMPANY", which comprise the statement of financial position as at June 30, 2019 and statement of income and expenditure, the statement of comprehensive income, the statement of changes in funds, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of income and expenditure, the statement of comprehensive income, the statement of changes in fund, the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2019 and of the loss, the other comprehensive loss, the changes in fund and its cash flows for the year then ended.

Basis for Opinion

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

Material Uncertainty Relating to Going Concern

We draw attention to note 1.3 of the financial statements, which describes that during the year the company has incurred a loss of Rs. 1,444 million (FY 2018: Rs. 1,721 million) and accumulated losses have been increased to Rs. 7,264 million (FY 2017: Rs. 5,820 million) as at June 30, 2019. These events indicate that a material uncertainty exist that may cause significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements



Based on our audit, we further report that in our opinion:

- a) Proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) The statement of financial position, statement of income and expenditure, statement of comprehensive income, statement of changes in fund and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with books of account and returns;
- c) Investment made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) No zakat was deductible at source under the Zakat and Usher Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit of **Rawalpindi Waste Management Company** for the year ended June 30, 2019 resulting in this independent auditors' report is C.A Habib.

Place: Islamabad

Dated: 20 APR 2021




CROWE HUSSAIN CHAUDHURY & CO.
(CHARTERED ACCOUNTANTS)

**RAWALPINDI WASTE MANAGEMENT COMPANY
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2019**

	Note	2019 Pak Rupees.....	2018
ASSETS			
NON CURRENT ASSETS			
Property and equipment	4	396,225,976	142,870,838
Intangible assets	5	2,579,694	3,604,310
Long term advances	6	65,000	273,070,000
Long term security deposits	7	1,450,000	1,450,000
		400,320,670	420,995,148
CURRENT ASSETS			
Stores and spares	8	10,892,128	18,439,669
Trade receivables - considered good	9	154,703,106	257,148,752
Grant receivables	10	12,062,475	12,062,475
Short term advances	11	12,562,576	12,426,883
Short term prepayments	12	1,252,245	871,898
Taxation - net	19	8,467,516	-
Cash and bank balances	13	1,265,036,188	1,116,781,870
		1,464,976,234	1,417,731,547
TOTAL ASSETS		1,865,296,904	1,838,726,695
FUND AND LIABILITIES			
FUND			
General fund - (deficit)		(7,264,525,812)	(5,820,543,315)
NON CURRENT LIABILITIES			
Deferred capital grant	14	7,662,079	9,093,754
Grants	15	474,761,088	526,515,315
Deferred income	16	1,450,420,475	1,275,843,816
Long term loan	17	4,793,301,411	4,196,790,111
		6,726,145,053	6,008,242,996
CURRENT LIABILITIES			
Current portion of long term loan	17	2,217,619,118	1,135,552,077
Trade and other payables	18	186,058,545	488,004,455
Taxation - net	19	-	27,470,482
		2,403,677,663	1,651,027,014
TOTAL FUND AND LIABILITIES		1,865,296,904	1,838,726,695
CONTINGENCIES AND COMMITMENTS	20		

The annexed notes from 1 to 35 form an integral part of these financial statements.

 **MANAGING DIRECTOR**

 **CHIEF FINANCIAL OFFICER**

 **DIRECTOR**

**RAWALPINDI WASTE MANAGEMENT COMPANY
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2019**

	Note	2019 Pak Rupees.....	2018
INCOME			
Grant income	15	941,278,301	849,216,111
Amortization of deferred capital grant	4	1,431,675	1,718,413
		942,709,976	850,934,524
Amortization of deferred income	16	471,033,098	407,377,585
Income from services - net	21	349,783,593	362,527,150
		<u>1,763,526,667</u>	<u>1,620,839,259</u>
EXPENDITURE			
Direct expenses	22	2,641,259,237	2,826,689,735
Administrative expenses	23	93,521,633	90,482,413
Finance cost	24	488,951,184	422,911,033
		3,223,732,054	3,340,083,181
Other income	25	29,896,435	41,222,836
Deficit for the year before taxation		(1,430,308,952)	(1,678,021,086)
Taxation	26	13,673,545	43,236,771
Deficit for the year after taxation		<u>(1,443,982,497)</u>	<u>(1,721,257,857)</u>

The annexed notes from 1 to 35 form an integral part of these financial statements.

 **MANAGING DIRECTOR**

 **CHIEF FINANCIAL OFFICER**

 **DIRECTOR**

**RAWALPINDI WASTE MANAGEMENT COMPANY
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2019**

2019 2018
..... Pak Rupees.....


Deficit for the year

(1,443,982,497)	(1,721,257,857)
-	-
<u>(1,443,982,497)</u>	<u>(1,721,257,857)</u>

Other comprehensive income for the year

Total comprehensive loss for the year

The annexed notes from 1 to 35 form an integral part of these financial statements.

 **MANAGING DIRECTOR**


CHIEF FINANCIAL OFFICER



DIRECTOR

RAWALPINDI WASTE MANAGEMENT COMPANY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2019

	2019	2018
	..... Pak Rupees.....	
CASH FLOWS FROM OPERATING ACTIVITIES		
Deficit for the year before taxation	(1,430,308,952)	(1,678,021,086)
Adjustments for non - cash items:		
Depreciation	25,070,335	25,040,820
Amortization	1,024,616	1,024,616
Grant income	(941,278,301)	(849,216,111)
Amortization of deferred capital grant	(1,431,675)	(1,718,413)
Amortization of deferred income	(471,033,098)	(407,377,585)
Finance cost	488,951,184	422,911,033
Loss on disposals	394,805	-
	(898,302,134)	(809,335,640)
Changes in working capital:		
(Increase) / decrease in current assets		
Stores and spares	7,547,541	(7,194,759)
Trade receivables - considered good	102,445,646	(101,249,989)
Short term advances	(135,693)	272,415,412
Short term prepayments	(380,347)	4,655,068
	109,477,147	168,625,732
Increase / (decrease) in current liabilities		
Trade and other payables	(319,848,910)	415,553,615
Net cash used in operations	(2,538,982,849)	(1,903,177,379)
Grant received	889,524,074	875,971,236
Tax paid	(49,611,543)	(33,089,622)
Net cash used in operating activities	(1,699,070,318)	(1,060,295,765)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(5,820,278)	(33,781,314)
Capital work in progress	(273,000,000)	-
Long term advances	273,005,000	(269,995,000)
Net cash (used in) investing activities	(5,815,278)	(303,776,314)
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term loan	1,853,155,000	1,547,834,265
Finance cost paid	(15,086)	(18,917)
Net cash generated from financing activities	1,853,139,914	1,547,815,348
Net increase in cash and cash equivalents during the year	148,254,318	183,743,269
Cash and cash equivalents at the beginning of the year	1,116,781,870	933,038,601
Cash and cash equivalents at the end of the year	1,265,036,188	1,116,781,870

The annexed notes from 1 to 35 form an integral part of these financial statements.

 **MANAGING DIRECTOR**

 **CHIEF FINANCIAL OFFICER**

 **DIRECTOR**

RAWALPINDI WASTE MANAGEMENT COMPANY
STATEMENT OF CHANGES IN FUND
FOR THE YEAR ENDED JUNE 30, 2019

	General fund (Deficit)	Total
	..... Pak Rupees.....	
Balance as at June 30, 2017	4,099,285,458	4,099,285,458
Total comprehensive loss for the year	<u>1,721,257,857</u>	<u>1,721,257,857</u>
Balance as at June 30, 2018	<u><u>5,820,543,315</u></u>	<u><u>5,820,543,315</u></u>
Total comprehensive loss for the year	<u>1,443,982,497</u>	<u>1,443,982,497</u>
Balance as at June 30, 2019	<u><u>7,264,525,812</u></u>	<u><u>7,264,525,812</u></u>

The annexed notes from 1 to 35 form an integral part of these financial statements.


MANAGING DIRECTOR


CHIEF FINANCIAL OFFICER


DIRECTOR

RAWALPINDI WASTE MANAGEMENT COMPANY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

1 LEGAL STATUS AND OPERATIONS

- 1.1 Rawalpindi Waste Management Company (the Company) was incorporated as a company limited by guarantee under section 42 of the Companies Act, 2017 (formerly Companies Ordinance 1984) on July 15, 2013, with the goal to provide the efficient and effective and modern services regarding the disposal of solid waste in the modern way in Rawalpindi. The principle activities of the company are to offer sustainable, efficient and affordable waste management services for the citizens of Rawalpindi.
- 1.2 The Company entered into Services and Asset Management Agreement (SAMA) with City District Government Rawalpindi (CDGR) and all UC's of Town Municipal Administrations (TMA's) for solid waste management services in Rawalpindi which was effective from February 28, 2014 and would expire on February 27, 2034. In accordance with terms of the agreement, City District Government Rawalpindi (CDGR) and Town Municipal Administrations had transferred possession, management, use, maintenance and control of machinery, equipment, tools and plants vehicles, land, buildings, structures and all other moveable and immovable assets owned managed or controlled by the CDGR and TMAs on lease money of Rs. 100,000.

The geographical location and address of Company's and its services units are as under:

Registered office/ Service Units	Geographical Location
Head office	81-A/1, Iran Road, Satellite Town, Rawalpindi
Services	
Landfill Dumpsite	Losar Mor, Chakbeli khan Road, Liaqat Road, Rawalpindi
Parking Area	Adjacent to Liaqat Bagh, Liaqat Road, Rawalpindi
Workshop	City District Government near Kehkashan Cinema, Committee Chowk, Rawalpindi
Gujar Khan	Office of the chief officer municipal committee Gujar Khan, District Rawalpindi
Kallar Syedan	Office of the chief officer municipal committee Kallar syedan, District Rawalpindi
Murree	Office of the chief officer municipal committee Murree, District Rawalpindi
Taxila	Office of the chief officer municipal committee Taxila, District Rawalpindi
Kahutta	Office of the chief officer municipal committee Kahuta, District Rawalpindi

- 1.3 The Company incurred deficit amounting to Rs. 1,444 million (2018: Rs. 1,721 million) during the year ended June 30, 2019 and, as of that date, the Company has accumulated deficits of Rs. 7,264 million (2018: Rs. 5,820 million). These conditions indicate the existence of material uncertainty which may cast doubt about the Company's ability to continue as going concern. The management is confident of improving results through streamlining the operations of the Company and looking for alternative source of income for sustainability and has a commitments for grant from Government of Punjab.

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 Standards), issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Accounting Standard for Not for Profit Organizations (NPOs) issued by the Institute of Chartered Accountants of Pakistan, as notified under the Companies Act, 2017;
- 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 or the Accounting Standard for NPOs, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Basis of measurement and preparation

The accompanying financial statements have been prepared under the historical cost convention.

This is the first set of the company's annual financial statements in which IFRS 15 'Revenue from Contracts with Customers' and IFRS 9 'Financial Instruments' have been applied. Changes to significant accounting policies are described in Note 3.1

2.3 Functional and presentation currency

These financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency. Amounts presented in Pakistan Rupee have been rounded off to nearest rupees unless otherwise stated.

2.4 Use of accounting estimates and judgments

In preparing these financial statements, management has made judgments, estimates and assumptions that effect the application of the Company's accounting policies and reported amounts of assets, liabilities, income and expenses. Actual result may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

Information about judgments made in applying accounting policies that have significant effect on the amounts recognized in the financial statements are discussed in the ensuing paragraph.

2.4.1 Property and equipment

The Company reviews the residual values and useful lives of property and equipment on regular basis. Further where applicable, an estimate of recoverable amount of assets is made for possible impairment on an annual basis. Any change in such estimates in future years might affect the carrying amounts of the respective items of property and equipment with corresponding effect on the depreciation charge, impairment and related deferred tax liability.

2.4.2 Intangible assets

The Company reviews the residual values and useful lives of intangible assets on regular basis. Further where applicable, an estimate of recoverable amount of assets is made for possible impairment on an annual basis. Any change in such estimates in future years might affect the carrying amounts of the respective items of intangible assets with corresponding effect on the amortization charge, impairment and related deferred tax liability.

2.4.3 Taxation

The Company takes into account the current income tax law and decisions taken by appellate authorities. Instances where the Company's view differs from that taken by the income tax department at the assessment stage and where the Company considers that its view on items of material nature is in accordance with law, the amounts are shown as contingent liabilities.

2.4.4 Impairment

2.4.4.1 Impairment of financial assets

The Company measures loss allowances for Expected Credit Losses (ECLs) on financial assets measured at amortized cost after considering the pattern of receipts from and future financial outlook of the counterparty and is reviewed by the management on regular basis. Any change in the estimates in future years might affect the carrying amounts of the respective items of assets with a corresponding effect on the statement of income and expenditure.

2.4.4.2 Impairment of non-financial assets

The carrying amounts of the Company's assets are reviewed at each reporting date to determine whether there is any indication of impairment loss. If any such indication exists, recoverable amount is estimated using criteria given in respective accounting standards to determine the extent of impairment loss, if any.



RAWALPINDI WASTE MANAGEMENT COMPANY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

2.4.5 Provisions and contingencies

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost, if any.

Where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability, it is disclosed as contingent liability.

2.4.6 Stores and spares

The Company reviews the net realizable value of stores and spare to assess any diminution in the respective carrying values. Net realizable value is determined with reference to estimated selling price less estimated cost to complete and estimated cost to make the sale.

2.5 Standards, interpretations and amendments to approved accounting standards that are not yet effective

The following International Financial Reporting Standards (IFRS) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 01 July 2019:

- IFRIC 23 'Uncertainty over Income Tax Treatments' (effective for annual periods beginning on or after 1 January 2019) clarifies the accounting for income tax when there is uncertainty over income tax treatments under IAS 12. The interpretation requires the uncertainty over tax treatment be reflected in the measurement of current and deferred tax. The application of interpretation is not likely to have an impact on Company's financial statements.
- IFRS 16 'Leases' (effective for annual period beginning on or after 1 January 2019). IFRS 16 replaces existing leasing guidance, including IAS 17 'Leases', IFRIC 4 'Determining whether an Arrangement contains a Lease', SIC-15 'Operating Leases- Incentives' and SIC-27 'Evaluating the Substance of Transactions Involving the Legal Form of a Lease'. IFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard i.e. lessors continue to classify leases as finance or operating leases. The application of new standard is not likely to have an impact on Company's financial statements.
- Amendment to IFRS 9 'Financial Instruments' – Prepayment Features with Negative Compensation (effective for annual periods beginning on or after 1 January 2019). For a debt instrument to be eligible for measurement at amortized cost or FVTOCI, IFRS 9 requires its contractual cash flows to meet the SPPI criterion – i.e. the cash flows are 'solely payments of principal and interest'. Some prepayment options could result in the party that triggers the early termination receiving compensation from the other party (negative compensation). The amendment allows that financial assets containing prepayment features with negative compensation can be measured at amortized cost or at fair value through other comprehensive income (FVTOCI) if they meet the other relevant requirements of IFRS 9. The application of amendment is not likely to have an impact on Company's financial statements.
- Amendment to IAS 28 'Investments in Associates and Joint Ventures' - Long Term Interests in Associates and Joint Ventures (effective for annual period beginning on or after 1 January 2019). The amendment will affect companies that finance such entities with preference shares or with loans for which repayment is not expected in the foreseeable future (referred to as long-term interests or 'LTI'). The amendment and accompanying example state that LTI are in the scope of both IFRS 9 and IAS 28 and explain the annual sequence in which both standards are to be applied. The amendments are not likely to have an impact on Company's financial statements.
- Amendments to IAS 19 'Employee Benefits'- Plan Amendment, Curtailment or Settlement (effective for annual periods beginning on or after 1 January 2019). The amendments clarify that on amendment, curtailment or settlement of a defined benefit plan, a company now uses updated actuarial assumptions to determine its current service cost and net interest for the period; and the effect of the asset ceiling is disregarded when calculating the gain or loss on any settlement of the plan and is dealt with separately in other comprehensive income. The application of amendments is not likely to have an impact on Company's financial statements.



RAWALPINDI WASTE MANAGEMENT COMPANY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

- Amendment to IFRS 3 'Business Combinations' – Definition of a Business (effective for business combinations for which the acquisition date is on or after the beginning of annual period beginning on or after 1 January 2020). The IASB has issued amendments aiming to resolve the difficulties that arise when an entity determines whether it has acquired a business or a group of assets. The amendments clarify that to be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs. The amendments include an election to use a concentration test. The standard is effective for transactions in the future and therefore would not have an impact on past financial statements.
- Amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (effective for annual periods beginning on or after 1 January 2020). The amendments are intended to make the definition of material in IAS 1 easier to understand and are not intended to alter the underlying concept of materiality in IFRS. In addition, the IASB has also issued guidance on how to make materiality judgments when preparing their general purpose financial statements in accordance with IFRS.
- On 29 March 2018, the International Accounting Standards Board (the IASB) has issued a revised Conceptual Framework for Financial Reporting which is applicable immediately contains changes that will set a new direction for IFRS in the future. The Conceptual Framework primarily serves as a tool for the IASB to develop standards and to assist the IFRS Interpretations Committee in interpreting them. It does not override the requirements of individual IFRSs and any inconsistencies with the revised Framework will be subject to the usual due process – this means that the overall impact on standard setting may take some time to crystallize. The companies may use the Framework as a reference for selecting their accounting policies in the absence of specific IFRS requirements. In these cases, companies should review those policies and apply the new guidance retrospectively as of 1 January 2020, unless the new guidance contains specific scope outs.
- Annual Improvements to IFRS Standards 2015–2017 Cycle - the improvements address amendments to following approved accounting standards:
 - IFRS 3 Business Combinations and IFRS 11 Joint Arrangement - the amendment aims to clarify the accounting treatment when a company increases its interest in a joint operation that meets the definition of a business. A company remeasures its previously held interest in a joint operation when it obtains control of the business. A company does not remeasure its previously held interest in a joint operation when it obtains joint control of the business.
 - IAS 12 Income Taxes - the amendment clarifies that all income tax consequences of dividends (including payments on financial instruments classified as equity) are recognized consistently with the transaction that generates the distributable profits.
 - IAS 23 Borrowing Costs - the amendment clarifies that a company treats as part of general borrowings any borrowing originally made to develop an asset when the asset is ready for its intended use or sale.

The above amendments are effective from annual period beginning on or after 1 January 2019. The Company is currently in the process of analyzing the potential impact of changes required on adoption to the standard.



RAWALPINDI WASTE MANAGEMENT COMPANY
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2019

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements except for the changes as indicated below:

3.1 IFRS 9 'Financial Instruments'

In July 2014, the IASB issued the final version of IFRS 9 Financial Instruments ("IFRS 9") that replaces IAS 39 Financial Instruments: recognition and measurement ("IAS 39") and all previous versions of IFRS 9. IFRS 9 brings together all three aspects of the accounting for financial instruments: classification & measurement, impairment and hedge accounting. IFRS 9 introduces a single approach to determine whether a financial asset is measured at amortized cost or fair value and replaces the multiple rules in IAS 39. The three principal classification categories under the new standard for financial instruments are: measured at amortized cost, fair value through other comprehensive income ("FVTOCI") and fair value through profit and loss ("FVTPL"). The classification of financial instruments under IFRS 9 is generally based on the business model in which a financial instrument is managed and its contractual cash flow characteristics. The previous categories under IAS 39 of held to maturity, loans and receivables and available for sale have been removed. For financial liabilities, IFRS 9 retains most of the requirements of IAS 39; however, where the fair value option is applied to financial liabilities, any change in fair value resulting from an entity's own credit risk is recorded in other comprehensive income.

The following table explains the original measurement categories under IAS 39 and new measurement categories under IFRS 9 for each class of the Company's financial assets and financial liabilities as at 1 July 2018.

	Original classification under IAS 39	New classification under IFRS 9
Financial assets		
Long term advances	Loans and receivables	Amortized Cost
Long term security deposits	Loans and receivables	FVTPL
Trade receivables	Amortized Cost	Amortized Cost
Grant receivables	Amortized Cost	Amortized Cost
Short term advances	Loans and receivables	Amortized Cost
Short term prepayments	Loans and receivables	Amortized Cost
Cash and bank balances	Loans and receivables	Amortized Cost
Financial liabilities		
Long term loan	Amortized Cost	Amortized Cost
Grants	Amortized Cost	Amortized Cost
Trade and other payables	Amortized Cost	Amortized Cost

There is no change in the carrying amounts of financial assets and financial liabilities at the initial application date of IFRS 9, except for a change in accounting classification under IFRS 9 from category under IAS - 39 as disclosed in the above table.

None of the Company's financial instruments have been classified as FVTOCI and FVTPL except for long term security deposits which does not meet "solely payments of principal and interests (SPPI)" test criteria.

There was no material expected credit loss recognized at initial application date and as at 30 June 2019.

The Company does not have any financial instruments eligible for hedge accounting, accordingly there was no impact to the Company as a result of adopting IFRS 9.

IFRS 9 replaces the "incurred loss" model in IAS 39 with an "expected loss" model. The new impairment model applies to financial instruments measured at amortized cost, and contract assets and debt investments measured at FVTOCI. Under IFRS 9, credit losses will be recognized earlier than under IAS 39. The standard also provides a simplified approach to measure expected credit losses using a lifetime expected loss allowance. The credit loss model groups receivables based on similar credit risk characteristics and days past due in order to estimate loss allowance.

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3.2 IFRS 15 'Revenue from Contracts with Customers

The IASB issued IFRS 15 Revenue from Contracts with Customers ("IFRS 15") in May 2014. This IFRS replaces IAS 18 Revenue, IAS 11 Construction Contracts and several revenue-related interpretations. IFRS 15 establishes a single revenue recognition framework which requires an entity to recognize revenue to reflect the transfer of goods and services for the amount it expects to receive, when control is transferred to the purchaser. The Company has reviewed its revenue stream and underlying contracts with the customers and, as a result of this review, the adoption of IFRS did not have a material impact on the Company's statement of income and expenditure, statement of comprehensive income and financial position.

3.3 Impairment

(i) Non - derivative financial assets

Policy applicable from 1 July 2018

The Company recognizes loss allowances for Expected Credit Losses (ECLs) on financial assets measured at amortized cost. The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

The Company measures loss allowances at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

The Company considers a financial asset to be in default when:

- Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial asset;
- 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

Measurement of ECLs

Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive).

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortized cost are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the counterparty;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the counterparty will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortized cost are deducted from the carrying amount of the assets and charged to the statement of income and expenditure.



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Write-off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

Policy applicable before 1 July 2018

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognized in the statement of income and expenditure. An impairment loss is reversed in the statement of income and expenditure if the reversal can be related objectively to an event occurring after the impairment loss was recognized.

(ii) Non-financial assets

At each reporting date, the Company reviews the carrying amount of its non-financial assets (other than investment property, inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating units (CGUs).

The recoverable amount of an asset or CGU is greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognized in the statement of income and expenditure. They are allocated first to reduce the carrying amounts of any goodwill allocated to CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis. An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

3.4 Financial instruments

(I) Recognition and initial measurement

Trade receivables are initially recognized when they are originated. All other financial assets and liabilities are recognized in the statement of financial position when the Company becomes a party to the contractual provisions of an instrument.

A financial asset (unless it is a trade receivable without significant financing component) or financial liability is initially measured at fair value, plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition. A trade debt without a significant financing component initially measured at the transaction price.

(II) Classification and subsequent measurement

(a) Financial assets - Policy applicable from 1 July 2018

On initial recognition, a financial asset is classified as measured at amortized cost, FVTOCI or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in business model.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest of the principal amount outstanding.

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Financial assets at amortized cost are subsequently measured using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in the statement of income and expenditure.

(b) Financial assets - Policy applicable before 1 July 2018

The Company classified its financial assets into one or more of the following categories:

FVTPL

Loans and receivables

Loans and receivables and held to maturity financial assets were subsequently measured at amortized cost using effective interest method.

Financial liabilities-Classification and subsequent measurement

Financial liabilities are measured at amortized cost or FVTPL. A Financial liability is classified as FVTPL if it is classified as held-for-trading, it is derivative or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in the statement of income and expenditure.

(III) Derecognition

(a) Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

(b) Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows of modified liability are substantially different, in which case a new financial liability is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid is recognized in the statement of income and expenditure.

(IV) Off-setting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position, if the Company has a legally enforceable right to offset the recognized amounts and intends either to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

3.5 Property and equipment

Property and equipment except for freehold land and capital work in progress are stated at cost less accumulated depreciation and impairment losses, if any. Freehold land and capital work in progress are stated at cost less allowance for impairment, if any. Cost of property and equipment includes acquisition cost, borrowing cost during construction phase of relevant asset and other directly attributable costs including trial run production expenses (net of income, if any). Transfers from capital work in progress are made to the relevant category of property and equipment as and when the assets are available for use in the manner intended by the Company's management.

Depreciation is charged on the basis of written down value method whereby cost of an asset is written off over its estimated useful lives at the rate specified in note 4 without taking into account any residual value. Full month's depreciation is charged on addition, while no depreciation is charged in the month of disposal or deletion of assets.



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v) Income from services

Income from services is measured on the basis of agreements with the customers. Income is recognized when or as the company satisfies a performance obligation by transferring a promised service to a customer. A service is transferred when the customer obtains control of it. The company satisfies its performance obligation over a period.

vi) Other Income

Mark up / interest on bank deposits and return on investments is recognized using the effective interest rate method.

3.9 Trade and other payables

Liabilities for trade and other amounts payable are carried at cost which is the fair value of the consideration to be paid in the future for the goods and services received. Subsequent to initial recognition, these are carried at amortized cost.

3.10 Cash and cash equivalents

For the purpose of statement of cash flows, cash and cash equivalent comprise cash in hand and at bank. They are carried in the statement of financial position at amortized cost.

3.11 Provisions

A provision is recognized in the statement of financial position when the Company has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are measured at the present value of expected expenditure, discounted at a pre tax rate that reflects current market assessment of the time value of the money and the risk specific to the obligation. Provisions are reviewed at each reporting date and adjusted to reflect current best estimate.

3.12 Borrowings

Subsequent to initial recognition borrowings are measured at amortized cost using the effective interest method. Finance costs are accounted for on an accrual basis and are reported under accrued mark-up on borrowings to the extent of the amount remain unpaid.

Loans and borrowings are recorded at the proceeds received. Mark up, interest and other borrowing costs are charged to income in the period in which they are incurred.

Borrowing cost on long term finances which are specifically obtained for the acquisition of qualifying assets (plant and machinery) are capitalized up to the date of commencement of commercial production on the respective assets. All other borrowing costs are charged to profit and loss account in the period in which these are incurred.

3.13 Employee benefits

3.13.1 Provident fund

The Company has contributory provident fund for its head office employees, contribution in respect of which is charged to income and expenditure for the year. Contribution is made by employees at the rate of 10% of basic pay at the commencement of financial year. The same amount is contributed by the Company.

3.13.2 Compensated absences

All regular employees of the Company are entitled to 18 days annual paid leave during the year. All leaves will be calculated on the basis of fiscal year and may be carried forward to the maximum one year. Leave encashment can be availed upto the limit of 365 days.

3.13.3 Pension fund

All regular employees of CDGR are entitled to pension fund. Contributions towards pension fund is made by employees equal to 40% of basic pay on monthly basis.

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3.14 Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current

Company's accounts for current taxation on the basis of provision of the Income Tax Ordinance, 2001.

For the other income the Company accounts for current taxation on the basis of taxable income at the current rates of taxation after taking into account tax credits and rebates available, if any, or one percent of turnover, whichever is higher in accordance with the provisions of the Income Tax Ordinance, 2001.

Deferred

Deferred tax is computed using the balance sheet liability method providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the liability is settled based on tax rates that have been enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profit will be available and the credits can be utilized. Therefore, no deferred tax provision has been made in the financial statements.

Prior years

The taxation charge for prior years represents adjustments to the tax charge relating to prior years, arising from assessments and changes in estimates made during the current year, except otherwise stated.

3.15 Operating lease

Rentals payables under the operating leases are charged to statement of income and expenditure on straight line basis over the term of relevant lease.

3.16 Foreign currency translation

These financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency. Foreign currency transactions during the year are recorded at the exchange rates approximating those ruling on the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange which approximate those prevailing on the statement of financial position date. Gains and losses on translation are taken to income currently. Non monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non monetary items measured at fair value in a foreign currency are translated using the exchange rates at the dates when the fair value was determined.

3.17 Contingencies

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or the Company has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.



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4 PROPERTY AND EQUIPMENT

Description	Owned Assets					Finance Department Funded					Grand Total			
	Equipment and tools	Plant and machinery	Motor vehicles Administrative	Motor vehicles Operations	Furniture and fixture	IT equipment	Sub total	Equipment and tools	Motor vehicles	Furniture and fixture		IT equipment	Sub total	Capital work in process
Year ended June 30, 2019														
Net carrying value basis														
Opening net book value	1,805,969	52,584,198	956,591	52,123,814	6,666,051	19,640,461	133,777,084	102,313	8,314,354	226,344	450,743	9,093,754	-	142,870,838
Additions	80,226	-	-	5,235,000	329,852	175,200	5,820,278	-	-	-	-	-	-	5,820,278
Transferred from advances	-	-	-	(394,805)	-	-	(394,805)	-	-	-	-	-	-	273,000,000
Disposal	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation charge	(281,442)	(7,887,630)	(143,489)	(8,380,301)	(1,022,610)	(5,923,188)	(23,638,660)	(15,347)	(1,247,153)	(33,952)	(135,223)	(1,431,675)	-	(25,070,335)
Closing net book value	1,604,753	44,696,568	813,102	48,583,708	5,973,293	13,892,473	115,563,897	86,966	7,067,201	192,392	315,520	7,662,079	-	396,225,976
Year ended June 30, 2018														
Gross carrying value basis														
Cost	3,213,537	67,772,774	1,569,092	78,619,305	9,216,417	29,352,495	189,743,620	199,641	16,548,248	440,806	1,931,607	19,120,302	273,000,000	481,863,922
Disposal	-	-	-	(695,000)	-	-	(695,000)	-	-	-	-	-	-	(695,000)
Accumulated depreciation	(1,608,784)	(23,076,206)	(755,990)	(29,640,792)	(3,243,124)	(15,460,022)	(73,784,918)	(112,675)	(9,481,047)	(248,414)	(1,616,087)	(11,458,223)	-	(85,243,141)
Reversal of Acc. Dep. Of Disposed Asset	-	-	-	300,195	-	-	300,195	-	-	-	-	-	-	300,195
Net book value	1,604,753	44,696,568	813,102	48,583,709	5,973,293	13,892,473	115,563,897	86,966	7,067,201	192,392	315,520	7,662,079	273,000,000	396,225,976
Year ended June 30, 2018														
Net carrying value basis														
Opening net book value	2,011,539	55,091,699	1,125,401	49,759,781	5,486,905	9,842,852	123,318,177	120,368	9,781,593	266,287	643,919	10,812,167	-	134,130,344
Additions	108,999	6,674,400	-	10,080,000	2,316,095	14,601,820	33,781,314	-	-	-	-	-	-	33,781,314
Depreciation charge	(314,569)	(9,181,901)	(168,810)	(7,715,967)	(1,136,949)	(4,804,211)	(23,322,407)	(18,055)	(1,467,239)	(39,943)	(193,176)	(1,718,413)	-	(25,040,820)
Closing net book value	1,805,969	52,584,198	956,591	52,123,814	6,666,051	19,640,461	133,777,084	102,313	8,314,354	226,344	450,743	9,093,754	-	142,870,838
Year ended June 30, 2018														
Gross carrying value basis														
Cost	3,133,311	67,772,774	1,569,092	73,384,305	8,886,565	29,177,295	183,923,342	199,641	16,548,248	440,806	1,931,607	19,120,302	-	203,043,644
Accumulated depreciation	(1,327,342)	(15,188,576)	(612,501)	(21,260,491)	(2,220,514)	(9,536,834)	(50,146,258)	(97,328)	(8,233,894)	(214,462)	(1,480,864)	(10,026,548)	-	(60,172,806)
Net book value	1,805,969	52,584,198	956,591	52,123,814	6,666,051	19,640,461	133,777,084	102,313	8,314,354	226,344	450,743	9,093,754	-	142,870,838
Annual rate of depreciation	15%	15%	15%	15%	15%	30%	15%	15%	15%	15%	30%	30%	-	

Note:

- 4.1 Capital work in progress represents an advance payment made to Assistant Commissioner / Land Acquisition Collector amounting to Rs. 273,000,000 for acquisition of land during the year 2017-18 located in villages Bajmal, Dera pothi and Sahang tehsil Gujjar Khan area measuring 2437 Kanal and 10 marda.
- 4.2 During the year a motor vehicle having cost of Rs. 695,000 was disposed off due to theft. The accumulated depreciation and net book value of motor vehicle at the time of theft were Rs. 278,853 and Rs. 416,146 respectively. Hence, a loss of Rs. 416,146 was recorded.
- 4.3 Depreciation on Finance Department funded Assets is amounting to Rs. 1,431,675. This is also amortized as income recognized against deferred capital grant.
- 4.4 Operating fixed assets transferred to the Company under operating lease through the Service and Asset Management Agreement (SAMA), as mentioned in note 1.2, are not included in the above mentioned operating fixed assets.

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	Note	2019 Pak Rupees.....	2018
4.5 Depreciation charge for the year has been allocated as follows:			
Administrative expenses	4.5.1	8,802,404	8,142,952
Direct cost	4.5.2	16,267,931	16,897,868
		<u>25,070,335</u>	<u>25,040,820</u>
4.5.1 Administrative expenses			
Depreciation charge for the year		296,789	332,624
Equipment and tools		1,390,642	1,636,049
Motor vehicles		1,056,562	1,176,892
Furniture and fixture		6,058,411	4,997,387
IT equipments		<u>8,802,404</u>	<u>8,142,952</u>
4.5.2 Direct cost			
Depreciation charge for the year		7,887,630	9,181,901
Plant and machinery		8,380,301	7,715,967
Motor vehicles		<u>16,267,931</u>	<u>16,897,868</u>

5 Intangible Assets

	COST				Rate	ACCUMULATED AMORTIZATION				WRITTEN DOWN VALUE
	As at 01 July	Additions (Disposals)	As at 30 June			As at 01 July	Charge for the year	(On Disposals)	As at 30 June	
	Pak Rupees				%	Pak Rupees				Pak Rupees
Year ended June 30, 2019										
Financial Software	363,080	-	363,080	20	90,770	72,616	-	163,386	199,694	
Attendance Software (PITB)	4,760,000	-	4,760,000	20	1,428,000	952,000	-	2,380,000	2,380,000	
	<u>5,123,080</u>	<u>-</u>	<u>5,123,080</u>		<u>1,518,770</u>	<u>1,024,616</u>	<u>-</u>	<u>2,543,386</u>	<u>2,579,694</u>	
Year ended June 30, 2018										
Financial Software	363,080	-	363,080	20	18,154	72,616	-	90,770	272,510	
Attendance Software (PITB)	4,760,000	-	4,760,000	20	476,000	952,000	-	1,428,000	3,332,000	
	<u>5,123,080</u>	<u>-</u>	<u>5,123,080</u>		<u>494,154</u>	<u>1,024,616</u>	<u>-</u>	<u>1,518,770</u>	<u>3,604,510</u>	

6 LONG TERM ADVANCES

Related parties	6.1	65,000	273,070,000
Other parties		-	-
		<u>65,000</u>	<u>273,070,000</u>
6.1 Related parties			
Advance for purchase of Land	6.1.1	-	273,000,000
Advance against operating lease	6.1.2	65,000	70,000
		<u>65,000</u>	<u>273,070,000</u>

6.1.1 This represent an advance payment made to Assistant Commissioner / Land Acquisition Collector amounting to Rs. 273,000,000 for acquisition of land during the year 2017-18 located in villages Bamial, Dera pothi and Sahang tehsil Gujjar Khan area measuring 2,437 kanals and 10 marlas. During the year the above amount was transferred to capital work in progress under note 4 to the financial statements.

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		2019	2018
	Note Pak Rupees.....	
6.1.2	Advance against operating lease	75,000	80,000
	Less: Charged during the year	5,000	5,000
		70,000	75,000
	Less: Current portion shown under current assets	(5,000)	(5,000)
	11	<u>65,000</u>	<u>70,000</u>
6.1.2.1	Leased assets represents balances transferred from CDGR and TMAs in accordance with the terms of agreement between CDGR, TMAs and the Company as explained in note 1.2. The charge has been made on the basis of period of lease agreement.		
		2019	2018
	Note	..... Pak Rupees.....	
7	LONG TERM SECURITY DEPOSITS	<u>1,450,000</u>	<u>1,450,000</u>
7.1	This represents security deposit paid to Mr. Khadim Hussain against rented building of Head Office.		
		2019	2018
	Note	..... Pak Rupees.....	
8	STORES AND SPARES		
	Stores	3,376,890	2,675,635
	Spares	7,515,238	15,764,034
		<u>10,892,128</u>	<u>18,439,669</u>
8.1	Stores		
	Opening stock	2,675,635	8,119,953
	Add: Purchases during the year	5,564,918	11,115,624
	Less: Consumed	(4,863,663)	(16,559,942)
		<u>3,376,890</u>	<u>2,675,635</u>
8.2	Spares		
	Opening stock	15,764,034	3,124,957
	Add: Purchases during the year	18,156,635	38,645,912
	Less: Consumed	(26,405,431)	(26,442,254)
		<u>7,515,238</u>	<u>15,764,034</u>
9	TRADE RECEIVABLES - CONSIDERED GOOD		
	Related parties	149,195,634	118,043,469
	Other parties	5,507,472	139,105,283
		<u>154,703,106</u>	<u>257,148,752</u>

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9.1 Related parties	Note	2019	2018
	 Pak Rupees.....	
Rawat Union Council		237,433	83,855
National Police Foundation Housing Society		299,271	337,536
Defence Housing Authority		3,343,282	1,137,650
PAF Lower Topa		-	150,600
Pakistan Public Works Department (Pak PWD)		3,042,844	3,042,844
Holy Family Hospital		31,602,417	48,500,000
Cantonment Board Murree		92,343	125,405
Army School of Logistics		111,540	62,400
Punjab Food Authority		101,707	766
Military College Murree		124,410	15,600
Fazaia Housing Scheme		76,609	22,611
Federation Employees Co-Operatives Housing Society		14,070	-
Metro Bus Authority		110,149,708	64,564,202
		<u>149,195,634</u>	<u>118,043,469</u>

9.2 Other parties	Note	2019	2018
Zaraj Housing Society		48,980	45,431
Model Town Humak Society		-	2,305
Emaar Housing Society (Noha Group)		224,765	65,583
Islamabad Farms		96,592	30,865
Spring Apartment		93,948	56,705
Karot Hydro Power Project		1,043,141	2,719,737
MB Chicks		82,715	146,903
Jadeed Group of Companies		45,185	25,199
Korang Town Pwd		270,595	234,644
Petro Waste Busters		472,260	-
Intelligence Bureau Employees Corporate Housing Society		352,105	207,765
Air Port Housing Society		2,777,186	2,777,186
Albayrak Turizm Seyahat Insaat Ticaret A.S	9.2.1	-	132,792,960
		<u>5,507,472</u>	<u>139,105,283</u>

9.2.1 This represents an amount paid to Punjab Revenue Authority by Rawalpindi Waste Management Company in respect of no deduction of withholding tax on services. During the year all the above mentioned amount is adjusted.

9.3 Ageing analysis of trade receivables

	2019			2018		
	Due from related parties	Other parties	Total	Due from related parties	Other parties	Total
Not overdue	-	-	-	-	-	-
Past due less than 30 days	33,048,061	756,638	33,804,699	31,718,777	872,754	32,591,531
Past due less than 60 days	65,786,395	1,517,552	67,303,947	62,282,326	1,685,887	63,968,213
Past due less than 90 days	98,279,347	1,625,790	99,905,137	62,978,263	2,295,791	65,274,054
Past due less than 365 days	100,882,785	1,793,596	102,676,381	81,240,345	136,144,439	217,384,784
Past due over 365 days	48,312,848	3,713,876	52,026,725	36,803,124	2,960,844	39,763,968
Total trade receivables	<u>149,195,634</u>	<u>5,507,472</u>	<u>154,703,106</u>	<u>118,043,469</u>	<u>139,105,283</u>	<u>257,148,752</u>

RAWALPINDI WASTE MANAGEMENT COMPANY
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9.5 Trade receivable due from related parties

Name of related parties	2019					2018						
	Gross amount due	Past amount due	Provision for expected credit losses	Reversal of provision for expected credit losses	Net amount due	Maximum amount outstanding at any time during the year	Gross amount due	Past amount due	Provision for expected credit losses	Reversal of provision for expected credit losses	Net amount due	Maximum amount outstanding at any time during the year
	Pak Rupees											
Intelligence Bureau Employees Corporate Housing Society	352,105	-	-	-	352,105	352,105	207,765	-	-	-	207,765	207,765
Rawat Union council	237,433	-	-	-	237,433	237,433	83,855	-	-	-	83,855	179,906
National Police Foundation Housing Society	299,271	-	-	-	299,271	300,798	337,536	-	-	-	337,536	337,536
Defence Housing Authority	3,343,282	-	-	-	3,343,282	3,343,282	1,137,650	-	-	-	1,137,650	1,516,143
PAF Lower Topa	-	-	-	-	-	150,600	150,600	-	-	-	150,600	150,600
Pakistan Public Works Department (Pak PWD)	3,042,844	-	-	-	3,042,844	3,042,844	3,042,844	-	-	-	3,042,844	3,042,844
Air Port Housing Society	2,777,186	-	-	-	2,777,186	2,777,186	2,777,186	-	-	-	2,777,186	2,777,186
Holy Family Hospital	31,602,417	-	-	-	31,602,417	31,602,417	48,500,000	-	-	-	48,500,000	48,500,000
Cantonment Board Murree	92,343	-	-	-	92,343	220,809	125,405	-	-	-	125,405	125,405
Army School of Logistics Murree	111,540	-	-	-	111,540	111,540	62,400	-	-	-	62,400	62,400
Punjab Food Authority	101,707	-	-	-	101,707	101,707	766	-	-	-	766	26,050
Military College murree	124,410	-	-	-	124,410	124,410	15,600	-	-	-	15,600	19,500
Fazaia Housing Scheme	76,609	-	-	-	76,609	76,609	22,611	-	-	-	22,611	22,611
Federation Employees Co-Operatives Housing Society	14,070	-	-	-	14,070	18,507	-	-	-	-	-	-
Metro Bus Authority	110,149,708	-	-	-	110,149,708	110,149,708	64,564,202	-	-	-	64,564,202	64,564,202
	152,324,925	-	-	-	152,324,925	152,609,955	121,028,420	-	-	-	121,028,420	121,532,148

RAWALPINDI WASTE MANAGEMENT COMPANY
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2019

	Note	2019 Pak Rupees.....	2018
10 GRANT RECEIVABLES			
Town Municipal Administrations Murree			
Opening grant receivable		12,062,475	12,062,475
Addition		-	-
Less: Received during the year		-	-
		<u>12,062,475</u>	<u>12,062,475</u>
10.1 This represents grant receivable from Town Municipal Murree.			
11 SHORT TERM ADVANCES			
Advance to related party	11.1	4,205,000	4,205,000
Advance to employees	11.2	235,827	208,758
Other advances	11.3	8,121,749	8,013,125
		<u>12,562,576</u>	<u>12,426,883</u>
11.1 Advances to related party			
Lahore Waste Management Company	11.1.1	4,200,000	4,200,000
Current portion of operating lease		5,000	5,000
		<u>4,205,000</u>	<u>4,205,000</u>
11.1.1 This represents amount paid to Lahore Waste Management Company against the consultancy services to be provided to the Company.			
	Note	2019 Pak Rupees.....	2018
11.2 Advances to employees			
Advances to employees		<u>235,827</u>	<u>208,758</u>
11.3 Other advances			
Advances for office expenses		42,333	-
Advances for internet		-	20,000
Advances for webhosting		369,000	67,709
Advance for vehicle registration		-	200,000
Cash deposit receipt		7,710,416	7,725,416
		<u>8,121,749</u>	<u>8,013,125</u>
12 SHORT TERM PREPAYMENTS			
Prepaid insurance		-	871,898
Prepaid POL expenses		1,252,245	-
		<u>1,252,245</u>	<u>871,898</u>
13 CASH AND BANK BALANCES			
Cash at bank			
Current accounts - Local currency		1,203,178,330	32,643,805
Saving accounts - Local currency	13.1	61,757,858	1,084,038,506
		1,264,936,188	1,116,682,311
Cash in hand		100,000	99,559
		<u>1,265,036,188</u>	<u>1,116,781,870</u>
13.1 Rate of return on saving accounts			
The saving accounts earns interest at the rates ranging from 4.5% to 10.25% (2018: 3.25% to 4.25%) per annum.			
13.2 Cash and cash equivalent			
The above figures of cash and bank balances reconcile to the amount of cash and cash equivalents shown in the statement of cash flows at the end of financial year as follows:			
	Note	2019 Pak Rupees.....	2018
Cash and bank balances		1,265,036,188	1,116,781,870
Short term running finance		-	-
Cash and cash equivalents as per statement of cash flows		<u>1,265,036,188</u>	<u>1,116,781,870</u>
14 DEFERRED CAPITAL GRANT			
Opening balance		9,093,754	10,812,167
Add: Grant received for capital expenditure		-	-
		9,093,754	10,812,167
Less: Amortization during the year		(1,431,675)	(1,718,413)
Closing balance		<u>7,662,079</u>	<u>9,093,754</u>

RAWALPINDI WASTE MANAGEMENT COMPANY
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15 GRANTS	NotePak Rupees.....							Total
		Government of Punjab (Finance Department)	Municipal Administration Tehsil Gujjar Khan	Municipal Administration Tehsil Kallar Syedian	Municipal Administration Tehsil Murree	Municipal Administration Tehsil Taxila	Municipal Administration Tehsil Kahuta		
Opening balance		526,515,315	-	-	-	-	-	526,515,315	
Grants received during the year	15.1	799,800,000	30,809,531	10,971,767	20,919,653	18,637,885	8,385,238	889,524,074	
Recognized as income during the year		(852,925,170)	(30,809,531)	(10,971,767)	(19,548,710)	(18,637,885)	(8,385,238)	(941,278,301)	
Closing Balance		473,390,145	-	-	1,370,943	-	-	474,761,088	
Expenditure:									
CDGR		566,741,540	-	-	-	-	-	566,741,540	
Landfill		45,143,630	-	-	-	-	-	45,143,630	
Potohar		40,457,120	-	-	-	-	-	40,457,120	
Head office		113,687,500	-	-	-	-	-	113,687,500	
Mc Murree		-	-	-	19,548,710	-	-	19,548,710	
Mc Gujjar Khan		20,776,023	30,809,531	-	-	-	-	51,585,554	
Mc Taxila		25,185,723	-	-	-	18,637,885	-	43,823,608	
Mc Kallar Syedian		24,378,735	-	10,971,767	-	-	-	35,350,502	
Mc Kahuta		16,554,899	-	-	-	-	8,385,238	24,940,137	
		852,925,170	30,809,531	10,971,767	19,548,710	18,637,885	8,385,238	941,278,301	

15.1 The above mentioned grants are received from the Government of Punjab Finance department and All UC's of Town Municipal Administrations of Rawalpindi (Rawal Town, Potohar Town, Gujjar Khan, Kallar Syedian, Taxila, Kahuta And Murree) as per " Services and Assets Management Agreement (SAMLA)" for solid waste management services in Rawalpindi.

RAWALPINDI WASTE MANAGEMENT COMPANY
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	Note	2019 Pak Rupees.....	2018
16 DEFERRED INCOME			
Opening balance		1,275,843,816	1,253,521,404
Add: Gain on initial recognition of loan		645,609,757	429,699,997
Less: Amortization for the year		471,033,098	407,377,585
		<u>1,450,420,475</u>	<u>1,275,843,816</u>
17 LONG TERM LOAN			
Loan from related parties	17.1	7,010,920,529	5,332,342,188
Less: current portion of loan		(2,217,619,118)	(1,135,552,077)
Non current portion of loan		<u>4,793,301,411</u>	<u>4,196,790,111</u>

17.1 Loan from related parties- Government of Punjab

June 30, 2019

	Loans from Government of Punjab Finance Department					
	Loan 1	Loan 2	Loan 3	Loan 4	Loan 5	Total
	.....Rupees.....					
Undiscounted amount received	1,584,650,231	1,822,006,000	1,698,360,000	1,547,841,123	1,853,155,000	8,506,012,354
Effect of discounting	(664,923,726)	(498,608,826)	(492,218,650)	(429,699,998)	(645,609,756)	(2,731,060,956)
Fair value of discounted loan	919,726,505	1,323,397,174	1,206,141,350	1,118,141,125	1,207,545,244	5,774,951,398
Unwinding of discount	597,026,585	361,361,274	226,875,187	95,377,438	-	1,280,640,484
Lapsed amount	-	-	(44,671,353)	-	-	(44,671,353)
Total	1,516,753,090	1,684,758,448	1,388,345,184	1,213,518,563	1,207,545,244	7,010,920,529
Less: Current portion of loan	528,216,744	607,335,333	566,120,000	515,947,041	-	2,217,619,118
Non current portion of loan	988,536,346	1,077,423,115	822,225,184	697,571,522	3,585,756,167	4,793,301,411

June 30, 2018

	Loans from Government of Punjab Finance Department				
	Loan 1	Loan 2	Loan 3	Loan 4	Total
	.....Rupees.....				
Undiscounted amount received	1,584,650,231	1,822,006,000	1,698,360,000	1,547,841,123	6,652,857,354
Effect of discounting	(664,923,726)	(498,608,826)	(492,218,650)	(429,699,998)	(2,085,451,200)
Fair value of discounted loan	919,726,505	1,323,397,174	1,206,141,350	1,118,141,125	4,567,406,154
Unwinding of discount	469,959,822	231,094,843	108,552,721	-	809,607,386
Lapsed amount	-	-	(44,671,353)	-	(44,671,353)
Total	1,389,686,327	1,554,492,017	1,270,022,718	1,118,141,125	5,332,342,188
Less: Current portion of loan	528,216,744	607,335,333	-	-	1,135,552,077
Non current portion of loan	861,469,583	947,156,684	1,270,022,718	1,118,141,125	4,196,790,111

RAWALPINDI WASTE MANAGEMENT COMPANY
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17.2 Detail of these loans is as follows:

Loans	Year of loans	Interest rate %	Effective interest rate %	Sanctioned amount Rupees	Grace period	Outstanding installments	Received from	Interest payable
i	2015	0.25%	14.75%	1,584,650,231	2 years from 30 June 2015	3 annual installments ending 30 June 2020	Government of Punjab	Annually
2	2016	0.25%	8.38%	1,822,006,000	2 years from 30 June 2016	3 annual installments ending 30 June 2021	Government of Punjab	Annually
3	2017	0.25%	9.00%	1,698,360,000	2 years from 30 June 2017	3 annual installments ending 30 June 2022	Government of Punjab	Annually
4	2018	0.25%	8.53%	1,547,841,123	2 years from 30 June 2018	3 annual installments ending 30 June 2023	Government of Punjab	Annually
5	2019	0.25%	11.41%	1,853,155,000	2 years from 30 June 2019	3 annual installments ending 30 June 2024	Government of Punjab	Annually

Note 2019 2018
..... Pak Rupees.....

18 TRADE AND OTHER PAYABLES

Creditors	18.1	66,395,070	320,488,180
Accrued expenses		11,319,786	6,035,042
Audit fee payable		480,480	385,200
Income tax payable		9,256,232	37,984,557
Sales tax payable		30,408,775	75,512,980
Leave encashment payable	18.2	1,158,975	2,723,009
Provident fund payable		29,239,173	20,683,726
Pension payable		14,170,937	5,357,216
Accrued mark up - long term loan		17,903,303	15,428,000
Insurance claim payable		360,000	
Retention money		4,814,722	3,393,173
EOBI payable		89,180	780
Group life insurance payable		461,912	12,592
		<u>186,058,545</u>	<u>488,004,455</u>

18.1 Creditors include balances amounting to Rs. 1,798,729 (2018: Rs. 2,853,254) payable to related parties.

18.2 Provision for compensated absences

Balance at beginning of the year	2,723,009	2,132,285
Add: charge for the year	2,107,435	2,193,520
	4,830,444	4,325,805
Less: amounts paid during the year	(3,671,469)	(1,602,796)
	<u>1,158,975</u>	<u>2,723,009</u>

18.2.1 All regular employees of the Company are entitled to 18 days annual paid leave during the year. All leaves will be calculated on the basis of fiscal year and may be carried forward to the maximum one year.

**RAWALPINDI WASTE MANAGEMENT COMPANY
NOTES TO THE FINANCIAL STATEMENTS
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	Note	2019 Pak Rupees.....	2018
19 TAXATION - Net			
Tax refundable / payable at the year end	26.1	(8,467,516)	27,470,482

20 CONTINGENCIES AND COMMITMENTS

20.1 Contingencies

The Company is facing claims launched in various Courts, pertaining to ex-employees for wages/regulation services and others. The matters are still pending before the Courts. The liability is not accurately quantifiable. However, the management is of the view that in the overall context of these financial statements, there would be no significant liability of the Company against such cases.

The details of claims by and against the Company which are currently subject to the legal proceedings are detailed below:

Case Title	Description of the factual basis of the proceeding and relief sought	Court Name	Principal parties	Date Instituted
Gohar Ayub etc vs Chief Officer etc	Petition U/S 33 of P.I.R.A 2010 For promotion/regularization of service	Labour Court	Respondent (RWMC)	12-Dec-17
Shahbaz Ahmed etc vs Chief Officer etc	Petition U/S 33 of P.I.R.A 2010 For promotion/regularization of service	Labour Court	Respondent (RWMC)	12-Dec-17
Sohail Ashiq etc vs Chief Officer etc	Petition U/S 33 of P.I.R.A 2010 For promotion/regularization of service	Labour Court	Respondent (RWMC)	12-Dec-17
Saghar Ghuri etc vs Municipal Corporation etc	Petition U/S 33 of P.I.R.A 2010 For promotion/regularization of service	Labour Court	Respondent (RWMC)	1-Feb-18
Khalid Khan etc vs Municipal Corporation etc	Petition U/S 33 of P.I.R.A 2010 For promotion/regularization of service	Labour Court	Respondent (RWMC)	23-Feb-18
Umair Daniel etc vs Municipal Corporation etc	Petition U/S 33 of P.I.R.A 2010 For promotion/regularization of service	Labour Court	Respondent (RWMC)	26-Jan-18
Ayyaz Hussain etc vs Municipal Corporation etc	Petition U/S 33 of P.I.R.A 2010 For promotion/regularization of service	Labour Court	Respondent (RWMC)	26-Jan-18
Haroon Masih etc vs Chief Officer etc	Petition U/S 33 of P.I.R.A 2010 For promotion/regularization of service	Labour Court	Respondent (RWMC)	15-Jun-18
Kamran Pervez etc vs City District Government etc	Petition U/S 33 of P.I.R.A 2010 For promotion/regularization of service	Labour Court	Respondent (RWMC)	28-Mar-16

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Case Title	Description of the factual basis of the proceeding and relief sought	Court Name	Principal parties	Date Instituted
Shaheen Mazhar etc vs administrator TMA etc	Petition U/S 33 of P.I.R.A 2010 For promotion/regularization of service	Labour Court	Respondent (RWMC)	3-Jul-17
Noor ul Haq Satti etc vs RWMC etc	Petition U/S 33 of P.I.R.A 2010 For promotion/regularization of service	Labour Court	Respondent (RWMC)	26-Jun-18
Maqsood Ahmed vs RWMC etc	Petition U/S 33 of P.I.R.A 2010 For promotion/regularization of service	Labour Court	Respondent (RWMC)	21-Dec-18
Atta Ur Rehman etc vs RWMC etc	Petition U/S 33 of P.I.R.A 2010 For promotion/regularization of service	Labour Court	Respondent (RWMC)	6-Feb-19
Muhammad Zia ud Din etc vs RWMC etc	Petition U/S 33 of P.I.R.A 2010 For promotion/regularization of service	Labour Court	Respondent (RWMC)	29-Feb-19
Zeeshan etc vs RWMC etc	Petition U/S 33 of P.I.R.A 2010 For promotion/regularization of service	Labour Court	Respondent (RWMC)	1-Apr-19

c) Deferred Tax

As per IAS 12 there is no need to calculate deferred tax as company has history of losses and in future it would not be able to earn profits.

20.2 Commitments

As referred in Note 1.2 , the Company has entered into operating lease agreements amounting to Rs. 100,000 for the period of 20 years with CDGR, which falls due:

	2019	2018
Note	..... Pak Rupees.....	
Within 1 year	5,000	5,000
Later than 1 year but less than 5 years	20,000	20,000
Later than 5 years	45,000	50,000
	70,000	75,000

21 INCOME FROM SERVICES - NET

Services to Punjab Metro Bus Authority	382,644,260	362,077,622
Waste collection from societies	19,736,242	14,713,160
Hospitals	-	40,750,000
Less: sales tax	(54,603,805)	(57,502,478)
	347,776,697	360,038,304
Reimbursement of expenses	21.1 2,006,896	2,488,846
	349,783,593	362,527,150

21.1 This represents reimbursement of expenses by Punjab Metro Bus Authority against supply of water filters and other services.

RAWALPINDI WASTE MANAGEMENT COMPANY
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2019

	Note	2019 Pak Rupees.....	2018
22 DIRECT COST			
Salaries, wages and other benefits	22.1	725,210,428	747,089,349
Stores and spares consumption	22.2	26,405,431	26,442,254
Professional and other charges		1,680,000	2,140,000
Petrol, oil and lubricants		39,849,995	40,831,086
Landfilling cost		33,373,603	32,564,851
Rent of machinery	22.3	22,597,359	29,776,572
Advertisement		245,285	431,360
Printing and stationary		195,320	1,352,767
Public awareness and communication		255,666	2,718,090
Vehicle fuel charges		7,720,510	7,108,405
Seminars, workshop and symposium		40,700	215,600
Repair and maintenance		5,974,116	12,470,221
Utilities		793,287	862,171
Uniform and liveries		45,000	8,020,016
Outsourced cleaning expenses	22.4	1,537,673,957	1,654,892,485
Punjab Metro Bus Authority	22.5	220,890,422	225,510,834
Societies & Hospital		240,220	13,918,901
Annual Software Charges (PITB & Other)		785,306	3,149,905
Depreciation	4.5.2	16,267,931	16,897,868
Other expenses		1,014,701	297,000
		<u>2,641,259,237</u>	<u>2,826,689,735</u>

22.1 Salaries, wages and other benefits includes an amount of Rs. 60.118 million (2018: Rs. 68.349 millions) with respect to pension paid to workers which was received from City District Government Rawalpindi.

	Note	2019 Pak Rupees.....	2018
22.2 Spares consumed			
Opening stock		15,764,034	3,124,957
Add: Purchases during the year		18,156,635	38,645,912
Less: Closing stock		(7,515,238)	(15,764,034)
		<u>26,405,431</u>	<u>26,442,254</u>

22.3 This amount includes of hire of machinery for the purpose of cleaning drainage watercourse (nalla's).

22.4 This represents an amount paid to Albayrak Turizm Seyahat Insaat Ticaret A.S for Solid Waste Collection and Transportation, Mechanical Sweeping and Manual Sweeping, Mechanical Washing within the borders of Rawalpindi and Murree city.

RAWALPINDI WASTE MANAGEMENT COMPANY
 NOTES TO THE FINANCIAL STATEMENTS
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	Note	2019 Pak Rupees.....	2018
22.5	Punjab Metro Bus Authority		
	Mechanical washing and sweeping	18,712,055	17,934,100
	Mechanical washing canopy	3,824,978	4,587,550
	Salaries and other benefits	175,142,509	172,252,770
	Stores and spares consumed	4,863,663	16,559,942
	Management cost	3,367,200	2,265,265
	Filter reimbursement	1,536,200	1,510,356
	Electric coolers & motors reimbursement	618,196	904,835
	Office rent	2,246,251	2,070,278
	POL expenses	3,944,926	3,305,704
	Others	131,544	-
	Penalty	6,502,900	4,120,034
		<u>220,890,422</u>	<u>225,510,834</u>
22.5.1	Stores consumed		
	Opening stock	2,675,635	8,119,953
	Add: Purchases during the year	5,564,918	11,115,624
	Less: Closing stock	(3,376,890)	(2,675,635)
		<u>4,863,663</u>	<u>16,559,942</u>
23	ADMINISTRATIVE EXPENSES		
	Salaries, wages and other benefits	53,558,904	50,865,062
	Rent, rates and taxes	17,970,009	16,652,652
	Utilities	5,930,721	4,610,116
	Vehicle insurance	871,897	743,221
	Travelling and conveyance	636,965	410,571
	Audit fee	251,680	275,200
	Depreciation	8,802,404	8,142,952
	Amortization	1,024,616	1,024,616
	Lease rent	5,000	5,000
	Legal and professional fee	-	2,090,000
	Vehicle running and maintenance	1,887,970	1,135,966
	Repair and maintenance	567,347	512,077
	Web hosting	67,709	171,961
	Security	1,561,614	3,485,399
	Other expenses	384,797	357,620
		<u>93,521,633</u>	<u>90,482,413</u>
23.1	Audit including include the following:		
	Annual audit fee	153,120	139,200
	Half year review	-	46,400
	Certifications	76,560	69,600
	Out of pocket expense	22,000	20,000
		<u>251,680</u>	<u>275,200</u>

RAWALPINDI WASTE MANAGEMENT COMPANY
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	Note	2019 Pak Rupees.....	2018
24 FINANCE COST			
Bank charges		15,086	18,917
Interest on long term loan		17,903,000	15,514,531
Charge on amortization of long term loan	16	471,033,098	407,377,585
		<u>488,951,184</u>	<u>422,911,033</u>
25 OTHER INCOME			
Income from financial assets			
Returns on saving accounts		29,937,240	39,014,449
Exchange gain		-	2,175,387
		<u>29,937,240</u>	<u>41,189,836</u>
Income from non financial assets			
Loss on disposal of assets		(394,805)	-
Tender fee		354,000	33,000
		<u>29,896,435</u>	<u>41,222,836</u>
26 TAXATION			
Current			
Current year		27,982,687	43,889,387
Prior year		(14,309,142)	-
Tax Charged		<u>13,673,545</u>	<u>43,889,387</u>
26.1 Movement			
Balance as at July 01,		27,470,482	17,323,333
Income tax paid		(17,323,333)	-
Tax charged	26	13,673,545	43,236,771
Advance income tax		(32,288,210)	(33,089,622)
Tax refundable / payable		<u>(8,467,516)</u>	<u>27,470,482</u>
26.2	Reconciliation between tax expense / (income) and deficit for the year is not disclosed as the Company is charged to minimum tax @ 8% under section 153(b) of the Income Tax Ordinance, 2001.		
26.3	A deferred tax asset is recognized only to the extent that it is probable that future taxable profit will be available and the credits can be utilized. As the Company is in continuous losses and there is no possibility of profits in near future therefore, no deferred tax provision has been made in the financial statements.		
26.4	The income tax assessments of the Company have been finalized up to and including the tax year 2018. Tax returns are deemed to be assessed under provision of the Income Tax Ordinance, 2001 ("the Ordinance") unless selected for an audit by the taxation authorities. The Commissioner of Income Tax at any time during a period of five years from the deemed assessment may select the assessment order for audit.		

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27 REMUNERATION OF CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES

The aggregate amounts charged in the financial statements for remuneration, including benefits, to the Chief Executive Officer and executives are as follows:

Note	Managing Directors		Directors		Executives	
	2019	2018	2019	2018	2019	2018
	----Pak Rupees---		----Pak Rupees---		----Pak Rupees---	
Managerial remuneration	2,540,511	-	60,000	-	16,707,564	4,441,502
Bonus for the year	-	-	-	-	-	241,472
Provident fund	-	-	-	-	-	322,713
Leave encashment	53,888	-	-	-	1,269,141	88,260
Other benefits	52,272	-	-	-	278,459	-
	<u>2,646,671</u>	<u>-</u>	<u>60,000</u>	<u>-</u>	<u>18,255,164</u>	<u>5,093,947</u>
Number of person(s)	1	1	11	11	9	11

27.1 The Managing Director and some executives are also provided with car for business and personal use in accordance with the Company rules.

Board of Directors of the Company are provided with car for meeting purpose only. No other facilities have been provided to members and directors.

28 RELATED PARTY RELATIONSHIPS

Following are the associated companies and related parties with whom the Company had entered into transactions during the year:

Related Parties	Basis of Relationship	Number of shares held in the Company	Aggregate %age shareholding in the Company
Government of Punjab	Government owned	N/A	N/A
Bank of Punjab	Government owned	N/A	N/A
Punjab Metro Bus Authority	Government owned	N/A	N/A
Punjab Food Authority	Government owned	N/A	N/A
Lahore Waste Management Company	Government owned	N/A	N/A
Rawat Union council	Government owned	N/A	N/A
National Police Foundation Housing Society	Government owned	N/A	N/A
Defence Housing Authority	Government owned	N/A	N/A
PAF Lower Topa	Government owned	N/A	N/A
Pakistan Public Works Department (Pak PWD)	Government owned	N/A	N/A
Holy Family Hospital	Government owned	N/A	N/A
Cantonment Board Murree	Government owned	N/A	N/A
Army School of Logistics Murree	Government owned	N/A	N/A
Military College murree	Government owned	N/A	N/A
Fazaia Housing Scheme	Government owned	N/A	N/A
Federation Employees Co-Operatives Housing Society	Government owned	N/A	N/A
Director General Public Relations	Government owned	N/A	N/A

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Related Parties	Basis of Relationship	Number of shares held in the Company	Aggregate %age shareholding in the Company
Pakistan State Oil	Government owned	N/A	N/A
Water and Sanitation Agency	Government owned	N/A	N/A
Federal Board of Revenue	Government owned	N/A	N/A
Punjab Revenue Authority	Government owned	N/A	N/A
Employees Old Age benefit Institution	Government owned	N/A	N/A
Sui Northern Gas Pipelines Limited	Government owned	N/A	N/A
Pakistan Telecommunication Company Limited	Government owned	N/A	N/A
Islamabad Electric Supply Company Limited	Government owned	N/A	N/A
Punjab Information Technology Board (PITB)	Government owned	N/A	N/A

29 Transactions during the year are as follows:

	Note	2019 Pak Rupees.....	2018
Government of Punjab			
Grant income	15	941,278,301	849,216,111
Grant received during the year	15	889,524,074	875,971,236
Amortization of deferred capital grant	14	1,431,675	1,718,413
Amortization of deferred income	16	471,033,098	407,377,585
Interest on long term loan	24	17,903,000	15,514,531
Charge on amortization of long term loan	24	471,033,098	407,377,585
Lease rent	23	5,000	5,000
Advance given for acquisition of land	6.1	-	273,000,000
Long term loan received	17	1,853,155,000	1,547,841,123
Capital work in progress	4	273,000,000	-
Bank of Punjab			
Bank charges	24	15,086	18,917
Returns on saving accounts	25	29,937,240	39,014,449
Punjab Metro Bus Authority			
Services to Punjab Metro Bus Authority	21	382,644,260	362,077,622
Reimbursement of expenses	21	2,006,896	2,488,846
Mechanical washing and sweeping	22.5	18,712,055	17,934,100
Mechanical washing canopy	22.5	3,824,978	4,587,550
Salaries and other benefits	22.5	175,142,509	172,252,770
Stores and spares consumed	22.5	4,863,663	16,559,942
Management cost	22.5	3,367,200	2,265,265
Filter reimbursement	22.5	1,536,200	1,510,356
Office rent	22.5	2,246,251	2,070,278
POL expenses	22.5	3,944,926	3,305,704
Others	22.5	131,544	-
Penalty	22.5	6,502,900	4,120,034
Defence Housing Authority			
Waste collection from societies	9.1	1,796,035	2,425,420
PAF Lower Topa			
Waste collection from societies	9.1	150,600	450,000
National Police Foundation Housing Society			
Waste collection from societies	9.1	1,129,907	719,797

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	Note	2019 Pak Rupees.....	2018
Rawat Union council			
Waste collection from societies	9.1	1,242,260	724,769
Holy Family Hospital			
Waste collection from societies	9.1	16,897,583	-
Cantonment Board Murree			
Waste collection from societies	9.1	372,242	287,234
Military College murree			
Waste collection from societies	9.1	75,660	62,400
Fazaia Housing Scheme			
Waste collection from societies	9.1	92,269	-
Federation Employees Co-Operatives Housing Society			
Waste collection from societies	9.1	46,509	-
Punjab Information Technology Board (PITB)			
Annual Software Charges (PITB)	22	785,306	3,149,905
Balances as at year end are as follows:			
Government of Punjab			
Capital work in progress - advance for acquisition of land	4	273,000,000	-
Advance against operating lease - Non current portion	6	65,000	70,000
Advance against operating lease - Current portion	11.1	5,000	5,000
Deferred capital grant	14	7,662,079	9,093,754
Grants	15	474,761,088	526,515,315
Deferred income	16	1,450,420,475	1,275,843,816
Long term loan	17	4,793,301,411	4,196,790,111
Interest deducted against long term loan		15,428,000	10,612,238
Accrued markup payable - long term loan	18	17,903,303	15,428,000
Grant receivables	10	12,062,475	12,062,475
Rawat Union council			
Trade receivables	9.1	237,433	83,855
National Police Foundation Housing Society			
Trade receivables	9.1	299,271	337,536
Defence Housing Authority			
Trade receivables	9.1	3,343,282	1,137,650
PAF Lower Topa			
Trade receivables	9.1	-	150,600
Pakistan Public Works Department (Pak PWD)			
Trade receivables	9.1	3,042,844	3,042,844

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	Note	2019 Pak Rupees.....	2018
Holy Family Hospital			
Trade receivables	9.1	31,602,417	48,500,000
Cantonment Board Murree			
Trade receivables	9.1	92,343	125,405
Army School of Logistics Murree			
Trade receivables	9.1	111,540	62,400
Punjab Food Authority			
Trade receivables	9.1	101,707	766
Military College murree			
Trade receivables	9.1	124,410	15,600
Fazaia Housing Scheme			
Trade receivables	9.1	76,609	22,611
Federation Employees Co-Operatives Housing Society			
Trade receivables	9.1	14,070	-
Metro Bus Authority			
Trade receivables	9.1	110,149,708	64,564,202
Lahore Waste Management Company			
Short term advances	11.1	4,200,000	4,200,000
Bank of Punjab			
Cash and bank balances	13	1,264,936,188	1,116,682,311
Director General Public Relations			
Creditors	18	102,601	-
Pakistan State Oil			
Creditors	18	678,752	494,226
Water and Sanitation Agency			
Creditors	18	171,400	171,400
Punjab Information Technology Board (PITB)			
Creditors	18	845,976	2,187,628
Pakistan Telecommunication Company Limited			
Accrued expenses	18	15,200	14,640
Islamabad Electric Supply Company Limited			
Accrued expenses	18	62,454	-
Federal Board of Revenue			
Income tax payable	18	9,256,232	37,984,557
Punjab Revenue Authority			
Sales tax payable	18	30,408,775	75,512,980
Employees Old Age benefit Institution			
EOBI Payable	18	89,180	780

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30 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

Fair value is the amount that would be received on sale of an asset or paid on transfer of a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and fair value estimates. Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the period end date. The quoted market prices used for financial assets held by the Company is current bid price. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis

IFRS 13 'Fair Value Measurement' requires the Company to classify fair value measurements and fair value hierarchy that reflects the significance of the inputs used in making the measurements of fair value hierarchy has the following levels:

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

30.1 The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

On-balance sheet financial instruments	Note	Carrying Amount			Fair Value			
		Amortized Cost	FVTPL	Total	Level 1	Level 2	Level 3	Total
Amount In PKR								
June 30, 2019								
Financial assets								
Long term advances	6	65,000	-	65,000	-	-	-	65,000
Long term security deposits	7	-	1,450,000	1,450,000	-	-	-	1,450,000
Trade receivables	9	154,703,106	-	154,703,106	-	-	-	154,703,106
Grant receivables	10	12,062,475	-	12,062,475	-	-	-	12,062,475
Short term advances	11	12,562,576	-	12,562,576	-	-	-	12,562,576
Short term prepayments	12	1,252,245	-	1,252,245	-	-	-	1,252,245
Cash and bank balances	13	1,265,036,188	-	1,265,036,188	-	-	-	1,265,036,188
		<u>1,445,681,590</u>	<u>1,450,000</u>	<u>1,447,131,590</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,447,131,590</u>
Financial liabilities								
Grants	15	474,761,088	-	474,761,088	-	-	-	474,761,088
Long term loan	17	4,793,301,411	-	4,793,301,411	-	-	-	4,793,301,411
Current portion of long term loan	17	2,217,619,118	-	2,217,619,118	-	-	-	2,217,619,118
Trade and other payables	18	186,058,545	-	186,058,545	-	-	-	186,058,545
		<u>7,671,740,162</u>	<u>-</u>	<u>7,671,740,162</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,671,740,162</u>

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On-balance sheet financial instruments	Note	Carrying Amount			Fair Value			
		Amortized Cost	FVTPL	Total	Level 1	Level 2	Level 3	Total
Amount In PKR								
June 30, 2018								
Financial assets								
Long term advances	6	273,070,000	-	273,070,000	-	-	-	273,070,000
Long term security deposits	7	-	1,450,000	1,450,000	-	-	-	1,450,000
Trade receivables	9	257,148,752	-	257,148,752	-	-	-	257,148,752
Grant receivables	10	12,062,475	-	12,062,475	-	-	-	12,062,475
Short term advances	11	12,426,883	-	12,426,883	-	-	-	12,426,883
Short term prepayments	12	871,898	-	871,898	-	-	-	871,898
Cash and bank balances	13	1,116,781,870	-	1,116,781,870	-	-	-	1,116,781,870
		<u>1,672,361,878</u>	<u>1,450,000</u>	<u>1,673,811,878</u>	-	-	-	<u>1,673,811,878</u>
Financial liabilities								
Grants	15	526,515,315	-	526,515,315	-	-	-	526,515,315
Long term loan	17	4,196,790,111	-	4,196,790,111	-	-	-	4,196,790,111
Current portion of long term loan	17	1,135,552,077	-	1,135,552,077	-	-	-	1,135,552,077
Trade and other payables	18	488,004,455	-	488,004,455	-	-	-	488,004,455
		<u>6,346,861,958</u>	<u>-</u>	<u>6,346,861,958</u>	-	-	-	<u>6,346,861,958</u>

30.2 The Company has not disclosed the fair value for these financial assets and financial liabilities, as these are either short term in nature or repriced periodically. Therefore, their carrying amounts are a reasonable approximation of their fair values.

30.3 The Company has exposure to the credit risk, market risk and liquidity risk from its use of financial instruments.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit Committee of the Company oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

30.4 Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from trade receivables, grant receivables, short term advances, short term prepayments, long term advances, long term security deposits and bank balances. The carrying amount of financial assets represents the maximum credit exposure.

The Company's credit risk exposures is categorized under the following headings:

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customers/dealers. The Company has established a credit policy under which each new customer is analyzed individually for creditworthiness before the Company's standard payment terms and conditions are offered. Credit limits are established for each customer, which are regularly reviewed and approved by the management.

Concentration of credit risk

Geographically there is no concentration of credit risk. The maximum exposure to credit risk for financial assets at the reporting date by type of counter party is as follows:

	2019	2018
	..... Pak Rupees.....	
From Government - related parties	168,657,400	410,365,895
Banks - related parties	1,264,936,188	1,116,682,311
Others	13,438,002	146,664,113
	<u>1,447,031,590</u>	<u>1,673,712,319</u>

Credit quality of financial assets

The credit quality of the Company's financial assets have been assessed below by reference to external credit rating of counterparties determined by the Pakistan Credit Rating Agency Limited (PACRA) and JCR - VIS Credit Rating Company Limited. The counterparties for which external credit ratings were not available have been assessed by reference to internal credit ratings determined based on their historical information for any default in meeting their obligations.

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Trade receivables	2019	2018
 Pak Rupees.....	
Counterparties without external credit ratings with no default in the past	<u>154,703,106</u>	<u>257,148,752</u>

Impairment losses

The aging of trade debts at the reporting date was:

	2019		2018	
	----- Rupees -----			
	Gross	Impairment	Gross	Impairment
Past due 1-30 days	33,804,699	-	32,591,531	-
Past due 31-60 days	33,499,248	-	31,376,682	-
Past due 61-90 days	32,601,190	-	1,305,841	-
Over 90 days	54,797,969	-	191,874,698	-
	<u>154,703,106</u>	<u>-</u>	<u>257,148,752</u>	<u>-</u>

The movement in allowance for impairment in respect of trade debts during the year was as follows:

	2019	2018
	..... Pak Rupees.....	
Balance at 1 July	-	-
Impairment loss adjustment	-	-
Balance at 30 June	<u>-</u>	<u>-</u>

Based on past experience, the management believes that no impairment allowance is necessary in respect of carrying amount of trade debts. The company has no material expected credit loss under IFRS 09 'Financial Instruments' on trade debts at initial application date and at the year end.

The allowance account in respect of trade debts is used to record impairment losses unless the Company is satisfied that no recovery of the amount owing is possible at which point the amount considered irrecoverable is written off against the financial asset directly.

Cash at Bank

The Company held cash at bank of Rs. 1,264.94 million at 30 June 2019 (2018: Rs. 1,116.9 million). Cash at bank is held with banks and financial institution, which are rated AAA to A based on PACRA rating.

Exposure to credit risk

The carrying amounts of the financial assets represent the maximum credit exposures before any credit enhancements. The carrying amounts of financial assets exposed to credit risk at reporting date are as under:

	2019	2018
	..... Pak Rupees.....	
Long term advances	65,000	273,070,000
Long term security deposit	1,450,000	1,450,000
Trade receivables	154,703,106	257,148,752
Grants receivable	12,062,475	12,062,475
Short term advances	12,562,576	12,426,883
Short term prepayments	1,252,245	871,898
Bank balances	<u>1,264,936,188</u>	<u>1,116,682,311</u>
	<u>1,447,031,590</u>	<u>1,673,712,319</u>

Geographically there is no concentration of credit risk.

The maximum exposure to credit risk for trade receivables at the reporting date is with end - user customers and represents debtors within the country.

30.5 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stress conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The following are the contractual maturities of financial liabilities, including interest payments and excluding the impact of netting agreements, if any:

The following are the contractual maturities of financial liabilities, including expected interest payments and excluding the impact of netting agreements:

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	Note	Carrying amount	Contractual cashflows	Amount In PKR				
				Up to one year	Up to two years	Upto five years	Five years onward	
2019								
Long term loan	17	4,793,301,411	4,793,301,411	2,217,619,118	-	2,575,682,293	-	-
Current portion of long term loan	17	2,217,619,118	2,217,619,118	2,217,619,118	-	-	-	-
Trade and other payables	18	186,058,545	186,058,545	186,058,545	-	-	-	-
		<u>7,196,979,074</u>	<u>7,196,979,074</u>	<u>4,621,296,781</u>	<u>-</u>	<u>2,575,682,293</u>	<u>-</u>	<u>-</u>
2018								
Long term loan	17	4,196,790,111	4,196,790,111	1,135,552,077	2,217,619,118	843,618,916	-	-
Current portion of long term loan	17	1,135,552,077	1,135,552,077	1,135,552,077	-	-	-	-
Trade and other payables	18	488,004,455	488,004,455	488,004,455	-	-	-	-
		<u>5,820,346,643</u>	<u>5,820,346,643</u>	<u>2,759,108,609</u>	<u>2,217,619,118</u>	<u>843,618,916</u>	<u>-</u>	<u>-</u>

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.



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30.5.1 The contractual cash flows relating to long term borrowings have been determined on the basis of expected mark-up rates. The mark-up rates have been disclosed in note 17.2 to these financial statements.

30.6 Market risk

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates or the market price due to change in credit rating of the issuer or the instruments' supply and demand of securities and liquidity in the market. The

30.6.1 Foreign currency risk

The PKR is the functional currency of the Company and as a result currency exposures arise from transactions and balances in currencies other than PKR.

30.6.2 Interest rate risk

The interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Majority of interest rate exposure arises from long term borrowings. At the reporting date, the interest rate profile of the Company's interest bearing financial instruments is:

	2019	2018	Carrying amount	
			2019	2018
	Effective interest rate		(Rupees)	
Variable rate instruments				
Bank balances	4.5% - 10.5%	3.25%-4.25%	1,264,936,188	1,116,682,311
Fixed rate instruments				
Long term loans	11.41%	8.53%	1,853,155,000	1,547,841,123
Net exposure			<u>(588,218,812)</u>	<u>(431,158,812)</u>

Fair value sensitivity analysis for fixed rate instruments

The Company is not exposed to interest rate risk on its fixed rate instruments.

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased or (decreased) the statement of income and expenditure for the year by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for 2019.

	Profit and loss	
	100 bps increase	100 bps decrease
	Rupees	Rupees
	2019	2018
Cash flow sensitivity (net)		
Variable rate instruments 30 June 2019	<u>126,493,619</u>	<u>(126,493,619)</u>
Variable rate instruments 30 June 2018	<u>111,668,231</u>	<u>(111,668,231)</u>

30.7 Capital management

The Company's objectives when managing capital is to safeguard the Company's ability to continue as a going concern so that it can achieve its primary objectives, provide benefits for other stakeholders and to maintain a strong capital base to support the sustained development of its businesses in line with the objects of the Company.

31 Reconciliation of Movement of liabilities to cash flows arising from financing activities

	Liabilities		
	Long term loan	Accrued markup	Total
	Rupees		
Balance as at 1 July 2018	5,332,342,188	15,428,000	5,347,770,188
Changes from financing cash flows			
Receipts during the year	1,853,155,000	-	1,853,155,000
Finance cost paid	-	(486,476,184)	(486,476,184)
Total changes from financing activities	<u>1,853,155,000</u>	<u>(486,476,184)</u>	<u>1,366,678,816</u>
Other changes			
Liability related			
Transferred to deferred income	(645,609,757)	-	(645,609,757)
Amortization for the year	471,033,098	-	471,033,098
Finance cost expense for the year	-	488,951,184	488,951,184
Total liability related other changes	<u>(174,576,659)</u>	<u>488,951,184</u>	<u>314,374,525</u>
Balance as at 30 June 2019	<u>7,010,920,529</u>	<u>17,903,000</u>	<u>7,028,823,529</u>

RAWALPINDI WASTE MANAGEMENT COMPANY
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2019

32 NUMBER OF EMPLOYEES

	2019	2018
	(Number)	(Number)
Total employees of the Company at year end	3,132	3,032
Average employees of the Company during the year	3,082	3,032
Number of persons employed		
Permanent staff	881	1,005
Temporary staff	1,275	2,048
Contractual staff	63	67
Third party staff hired by the company	913	1,085
Total Number of employees at the year end	3,132	4,205

33 CORRESPONDING FIGURES

Corresponding figures have been rearranged and / or reclassified for the purposes of more appropriate presentation and comparison. Following major re-classification have been made during the year.

S. No.	From	To	Amounts (Rs)
1	Depreciation(Classified as Administrative expenses)	Direct cost	16,897,868
2	Advances for purchased of land (Classified as long term advances)	Capital work in progress	273,000,000
3	Long term loan (Classified as long term loan)	Current portion of long term loan	1,135,552,077

34 DATE OF AUTHORIZATION FOR ISSUE

These financial statements are authorized for issue by the Board of Directors on 20-04-2021

35 GENERAL

Figures have been rounded off to the nearest rupee.

 MANAGING DIRECTOR

 CHIEF FINANCIAL OFFICER

 DIRECTOR