

# **FEROZ AZIZ & COMPANY**

Chartered Accountants

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## **CIVIL SERVICES CO-OPERATIVE HOUSING SOCIETY LIMITED**

**ACCOUNTS FOR THE YEAR ENDED  
JUNE 30, 2009**

# FEROZ AZIZ & COMPANY

Chartered Accountants

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## AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of **Civil Services Co-operative Housing Society Limited (the 'Society')** as at June 30, 2009 and the related income and expenditure account, receipts and payments account and statement of changes in equity together with the notes forming part thereof (here-in-after referred to as the financial statements) for the year then ended.

It is the responsibility of the management to establish and maintain a system of internal control and prepare and present the financial statements in conformity with the approved accounting standards as applicable in Pakistan. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting policies used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we state that:

- (a) Clauses 67 & 68 of the Society's Bye-laws require annual distribution and allocation of profit in a prescribed manner. This includes annual distribution of dividends to members @ 7.5% of the capital. The Society has neither allocated the funds as prescribed in the above rule nor distributed dividends to members as the management considers it appropriate to retain the funds within the Society for expected expenditure on land acquisition and development.

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- (b) Society has invested its surplus funds in Term Deposits of scheduled banks as stated in relevant note. Clause 5(d) of the Society's Bye-laws, inter-alia, provides investment of funds in any bank approved by the Registrar of Co-operative Societies.

Except for the above, in our opinion, the financial statements present fairly in all material respect the financial position of the Society as at June 30, 2009 and its surplus and cash flows for the year then ended in accordance with the approved accounting standards as applicable in Pakistan.

31-12-, 2011



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## CIVIL SERVICES CO-OPERATIVE HOUSING SOCIETY LIMITED

### BALANCE SHEET AS ON JUNE 30, 2009

	Note	2009 Rupees	2008 Rupees
<b><u>Non-Current Assets</u></b>			
Furniture & office equipments	3	231,434	116,875
Advance against acquisition of land	4	12,442,333	12,442,333
		<b>12,673,767</b>	<b>12,559,208</b>
<b><u>Current Assets</u></b>			
Short term investments	5	137,000,000	50,000,000
Advance income tax	6	340,240	56,812
Others	7	302,050	277,050
Cash at banks	8	6,605,990	33,122,633
		<b>144,248,280</b>	<b>83,456,495</b>
		<b>156,922,047</b>	<b>96,015,703</b>
<b><u>Non-Current Liability</u></b>			
Advances from members against cost of land	9	148,716,195	94,465,661
<b><u>Equity</u></b>			
<b><u>Authorized Capital</u></b>			
1000 shares of Rs 100 each		<b>100,000</b>	<b>100,000</b>
<b><u>Issued, subscribed &amp; paid up capital</u></b>			
1005 (2008 : 944) shares of Rs 100 each fully paid in cash	10	100,500	94,400
Reserve and funds	11	5,310,535	-
Accumulated surplus for the year		2,794,817	1,455,642
		<b>8,205,852</b>	<b>1,550,042</b>
		<b>156,922,047</b>	<b>96,015,703</b>

Annexed notes 1 to 15 form an integral part of these financial statements.

  
Chairperson

  
Secretary

  
Committee Member



# FEROZ AZIZ & COMPANY

Chartered Accountants

## CIVIL SERVICES CO-OPERATIVE HOUSING SOCIETY LIMITED INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED JUNE 30, 2009

	Note	2009 Rupees	2008 Rupees
<b>INCOME</b>			
Profit on term deposits	12	7,092,364	567,123
Members' admission fees		61,000	820,000
Profit on bank deposits	13	122,330	-
		<b>7,275,694</b>	<b>1,387,123</b>
<b>EXPENDITURE</b>			
Salaries and benefits		325,000	10,000
Printing and stationery		23,868	13,000
Bank charges		2,800	5,856
Postage		88,566	-
Web Expense		75,000	-
Internet Charges		9,300	-
Telephone		13,638	-
Repair & Maintenance		15,680	-
Entertainment		17,341	-
Conveyance		13,950	-
Depreciation		40,841	20,625
		<b>625,984</b>	<b>49,481</b>
Surplus for the year		<b>6,649,710</b>	<b>1,337,642</b>
Accumulated surplus brought forward		1,455,642	118,000
Surplus available for appropriation		<b>8,105,352</b>	<b>1,455,642</b>
<b><u>Appropriations</u></b>			
General reserve fund		810,535	-
Building fund		2,500,000	-
Amenity fund		2,000,000	-
		<b>5,310,535</b>	<b>-</b>
Accumulated surplus carried over		<b>2,794,817</b>	<b>1,455,642</b>

Annexed notes 1 to 15 form an integral part of these financial statements.

  
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Committee Member





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## CIVIL SERVICES CO-OPERATIVE HOUSING SOCIETY LIMITED RECEIPTS & PAYMENTS ACCOUNTS FOR THE YEAR ENDED JUNE 30, 2009

	2009 Rupees	2008 Rupees
Opening balance as on July 1st	33,122,633	130,400

### Receipts during the year


Advance from members against cost of land	54,250,534	94,465,661
Profit on term deposits	7,092,364	567,123
Member's admission fees	61,000	820,000
Shares issued during the year	6,100	82,000
Profit on bank deposits	122,330	-
	61,532,328	95,934,784
	<u>94,654,961</u>	<u>96,065,184</u>


### Payments during the year

Salaries and benefits	325,000	10,000
Ground rent	-	1,609,000
Printing and stationery	23,868	13,000
Bank charges	2,800	5,856
Postage	88,566	-
Web expense	75,000	-
Internet charges	9,300	-
Telephone	13,638	-
Repair & Maintenance	15,680	-
Entertainment	17,341	-
Conveyance	13,950	-
Fixed capital expenditure	155,400	137,500
Advance income tax	283,428	56,812
Others	25,000	277,050
Short term investments	87,000,000	50,000,000
Advance against cost of land	-	10,833,333
	<u>88,048,971</u>	<u>62,942,551</u>

Closing balance as on June 30th	<u>6,605,990</u>	<u>33,122,633</u>
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## CIVIL SERVICES CO-OPERATIVE HOUSING SOCIETY LIMITED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2009

	Issued, Subscribed & Paid up Capital Rupees	Surplus Rupees	Total Rupees
Balance as on June 30, 2006	11,200	106,000	117,200
Shares issued during the year ended June 30, 2007	1,200	-	1,200
Surplus for the year ended June 30, 2007	-	12,000	12,000
Balance as on June 30, 2007	12,400	118,000	130,400
Shares issued during the year ended June 30, 2008	82,000	-	82,000
Surplus for the year ended June 30, 2008		1,337,642	1,337,642
Balance as at June 30, 2008	94,400	1,455,642	1,550,042
Shares issued during the year ended June 30, 2009	6,100	-	6,100
Surplus for the year ended June 30, 2009	-	2,794,817	2,794,817
Balance as at June 30, 2009	100,500	4,250,459	4,350,959

Annexed notes 1 to 15 form an integral part of these financial statements.

  
Chairperson

  
Secretary

  
Committee Member

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## CIVIL SERVICES CO-OPERATIVE HOUSING SOCIETY LIMITED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2009

### 1. THE SOCIETY AND ITS LEGAL STATUS

Civil Services Co-operative Housing Society Limited Karachi is registered under Co-operative Societies Act, 1925 vide Registration Number K-1444 of 1991 dated March 7, 1991. The main object of the Society is to carry on the trade of building, and acquiring, buying, hiring, selling, letting, and developing land in accordance with Co-operative principles.

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### 2.1 Basis of preparation

These financial statements have been prepared in accordance with approved accounting standards, as applicable in Pakistan. Approved accounting standards comprise of Accounting and Financial Reporting Standards for Small-Sized Entities issued by the Institute of Chartered Accountants of Pakistan.

#### 2.2 Overall valuation policy

These financial statements have been prepared under the historical cost convention.

#### 2.3 Fixed assets

These are stated at cost less accumulated depreciation.

Depreciation on assets is charged to income applying the straight line method. Full year's depreciation is charged on additions during the year whereas no depreciation is charged in the year of disposal.

Maintenance and normal repairs are charged to income as and when incurred. Gains and losses on disposals of fixed assets are included in income currently.

#### 2.4 Revenue recognition

Return on bank deposits and Investments are recognized on Receipt basis.

#### 2.5 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purposes of cash flow statement, cash and cash equivalents comprise cash in hand, balances with banks on current and deposit accounts.

#### 2.6 Off-setting of financial assets and financial liabilities

A financial asset and a financial liability is set off and the net amount is reported in the balance sheet if the company has a legal right to set off the transaction and also intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

#### 2.7 Provisions

Provisions are recognized when the Society has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.





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### 3 FURNITURE AND OFFICE EQUIPMENTS

Description	C O S T			Rate %	D E P R E C I A T I O N			
	As at July 1, 2008	Addition during the year	As at June 30, 2009		As at July 1, 2008	For the year	As at June 30, 2009	Written Down Value as at June 30, 2009
	Rupees	Rupees	Rupees		Rupees	Rupees	Rupees	Rupees
Furniture & Fittings	70,000	-	70,000	15%	10,500	8,925	19,425	50,575
Office Equipments	67,500	155,400	222,900	15%	10,125	31,916	42,041	180,859
<b>Total - 2009</b>	<b>137,500</b>	<b>155,400</b>	<b>292,900</b>		<b>20,625</b>	<b>40,841</b>	<b>61,466</b>	<b>231,434</b>
<b>Total - 2008</b>	<b>-</b>	<b>137,500</b>	<b>137,500</b>		<b>-</b>	<b>20,625</b>	<b>20,625</b>	<b>116,875</b>

### 4 ADVANCE AGAINST ACQUISITION OF LAND

This includes Ground Rent paid to the Government amounting to Rs. 1,609,000 (2008 : 1,609,000/-).

### 5 SHORT TERM INVESTMENT

	2009 Rupees	2008 Rupees
National Bank of Pakistan - Term Deposit Certificates	137,000,000	25,000,000
Standard Chartered Bank - Term Deposit Certificates	-	25,000,000
Saudi Pak Bank - Term Deposit Certificates	-	25,000,000
	<b>137,000,000</b>	<b>50,000,000</b>

5.1 Rate of return ranges from 9% to 16% per annum with maturity dates from July 22, 2009 to September 8, 2009

### 6 ADVANCE TAX

Tax deducted on TDR Profit	340,040	56,712
Tax deducted on Cash Withdrawals	200	100
	<b>340,240</b>	<b>56,812</b>

### 7 OTHER RECEIVABLES

This includes Rs 228,300 representing 3 cheques of Rs 76,100/- received from members but returned uncleared by the bank. In the absence of particulars of members, the amount has been kept as 'Receivable'. This also includes Rs 73,750/- representing cheque issued for expenses but the nature of payment could not be ascertained.

### 8 CASH AND BANK BALANCES

National Bank of Pakistan - Current Account	6,499,064	7,512,222
Saudi Pak Bank - PLS Account	-	510,421
Silk Bank - PLS Account	65	25,000,000
	<b>6,499,129</b>	<b>33,022,643</b>
Cash in Hand	106,861	99,990
	<b>6,605,990</b>	<b>33,122,633</b>



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## 9 ADVANCES FROM MEMBERS AGAINST COST OF LAND

	2009 Rupees	2008 Rupees
Opening Balance	94,465,661	-
Received During the Year	54,250,534	94,465,661
	<b>148,716,195</b>	<b>94,465,661</b>

## 10 ISSUED, SUBSCRIBED & PAID UP CAPITAL

Opening Balance	94,400	12,400
Issued during the year	6,100	82,000
	<b>100,500</b>	<b>94,400</b>

## 11 RESERVE AND FUNDS

	Opening balance	Appropriation for the year	Total	Total
General reserve fund	-	810,535	810,535	-
Building fund	-	2,500,000	2,500,000	-
Amenity fund	-	2,000,000	2,000,000	-
	-	<b>5,310,535</b>	<b>5,310,535</b>	-

## 12 INVESTMENT INCOME

National Bank of Pakistan - Term Deposits	986,301	-
Saudi Pak Bank - Term Deposit	985,788	567,123
Standard Chartered Bank - Term Deposits	2,710,000	-
United Bank Limited - Term Deposits	605,651	-
Silk Bank Limited - Term Deposits	1,804,624	-
	<b>7,092,364</b>	<b>567,123</b>

## 13 PROFIT FROM BANK ACCOUNT

Saudi Pak Bank	116,213	-
Silk Bank	6,117	-
	<b>122,330</b>	-

## 14 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorized for issue on \_\_\_\_\_ by the Society's Council.

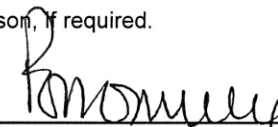
## 15 GENERAL

15.1 Figures have been rounded off to nearest rupee

15.2 Prior year's figures have been re-grouped for the purpose of comparison, if required.

  
Chairperson

  
Secretary

  
Committee Member

