

FEROZ AZIZ & COMPANY

Chartered Accountants

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CIVIL SERVICES CO-OPERATIVE HOUSING SOCIETY LIMITED

**ACCOUNTS FOR THE YEAR ENDED
JUNE 30, 2010**

FEROZ AZIZ & COMPANY

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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, 2010 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, 2010 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, 2010

	Note	2010 Rupees	2009 Rupees
<u>Non-Current Assets</u>			
Furniture & office equipments	3	202,499	231,434
Advance against acquisition of land	4	12,442,333	12,442,333
		12,644,832	12,673,767
<u>Current Assets</u>			
Short term investments	5	210,000,000	137,000,000
Advance income tax	6	1,059,853	340,240
Others	7	302,050	302,050
Cash at banks	8	17,783,078	6,605,990
		229,144,981	144,248,280
		241,789,813	156,922,047
<u>Non-Current Liability</u>			
Advances from members against cost of land	9	220,612,195	148,716,195
<u>Equity</u>			
<u>Authorized Capital</u>			
1000 shares of Rs 100 each		100,000	100,000
<u>Issued, subscribed & paid up capital</u>			
1032 (2009 : 1005) shares of Rs 100 each fully paid in cash	10	103,200	100,500
Reserve and funds	11	13,886,923	5,310,535
Surplus for the year		7,187,495	2,794,817
		21,177,618	8,205,852
		241,789,813	156,922,047

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

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED JUNE 30, 2010

INCOME	Note	2010 Rupees	2009 Rupees
Profit on term deposits	12	14,164,099	7,092,364
Members' admission fees		27,000	61,000
Profit on bank deposits	13	15,183	122,330
		14,206,282	7,275,694
EXPENDITURE			
Salaries and benefits		760,000	325,000
Printing and stationery		39,787	23,868
Bank charges		5,081	2,800
Postage		160,443	88,566
Web Expense		108,000	75,000
Internet Charges		17,711	9,300
Telephone		65,025	13,638
Repair & Maintenance		14,841	15,680
Entertainment		10,723	17,341
Conveyance		19,870	13,950
Depreciation		35,735	40,841
		1,237,216	625,984
Surplus for the year		12,969,066	6,649,710
Accumulated surplus brought forward		2,794,817	1,455,642
Surplus available for appropriation		15,763,883	8,105,352
<u>Appropriations</u>			
General reserve fund		1,576,388	810,535
Building fund		4,000,000	2,500,000
Amenity fund		3,000,000	2,000,000
		8,576,388	5,310,535
Accumulated surplus carried over		7,187,495	2,794,817

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


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CIVIL SERVICES CO-OPERATIVE HOUSING SOCIETY LIMITED RECEIPTS & PAYMENTS ACCOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2010 Rupees	2009 Rupees
Opening balance as on July 1st	6,605,990	33,122,633
Receipts during the year		
Advance from members against cost of land	71,896,000	54,250,534
Profit on term deposits	14,164,099	7,092,364
Member's admission fees	27,000	61,000
Shares issued during the year	2,700	6,100
Profit on bank deposits	15,183	122,330
	86,104,982	61,532,328
	92,710,972	94,654,961
Payments during the year		
Salaries and benefits	760,000	325,000
Printing and stationery	39,787	23,868
Bank charges	5,081	2,800
Postage	160,443	88,566
Web expense	108,000	75,000
Internet charges	17,711	9,300
Telephone	65,025	13,638
Repair & Maintenance	14,841	15,680
Entertainment	10,723	17,341
Conveyance	19,870	13,950
Fixed capital expenditure	6,800	155,400
Advance income tax	719,613	283,428
Others	-	25,000
Short term investments	73,000,000	87,000,000
	74,927,894	88,048,971
Closing balance as on June 30th	17,783,078	6,605,990

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


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CIVIL SERVICES CO-OPERATIVE HOUSING SOCIETY LIMITED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2010


	Issued, Subscribed & Paid up Capital Rupees	Surplus Rupees	Total Rupees
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	-	6,649,710	6,649,710
Balance as at June 30, 2009	100,500	8,105,352	8,205,852
Shares issued during the year ended June 30, 2010	2,700	-	2,700
Surplus for the year ended June 30, 2010	-	12,969,066	12,969,066
Balance as at June 30, 2010	103,200	21,074,418	21,177,618

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


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CIVIL SERVICES CO-OPERATIVE HOUSING SOCIETY LIMITED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010

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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CIVIL SERVICES CO-OPERATIVE
HOUSING SOCIETY LIMITED

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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, 2009	Addition during the year	As at June 30, 2010		As at July 1, 2009	For the year	As at June 30, 2010	Written Down Value as at June 30, 2010
	Rupees	Rupees	Rupees		Rupees	Rupees	Rupees	Rupees
Furniture & Fittings	70,000	6,800	76,800	15%	19,425	8,606	28,031	48,769
Office Equipments	222,900	-	222,900	15%	42,041	27,129	69,170	153,730
Total - 2010	292,900	6,800	299,700		61,466	35,735	97,201	202,499
Total - 2009	137,500	155,400	292,900		20,625	40,841	61,466	231,434

4 ADVANCE AGAINST ACQUISITION OF LAND

This includes Ground Rent paid to the Government amounting to Rs. 1,609,000 (2009 : 1,609,000/-).

5 SHORT TERM INVESTMENT

National Bank of Pakistan Term Deposit Certificates

2010	2009
Rupees	Rupees
210,000,000	137,000,000
210,000,000	137,000,000

5.1 Rate of return ranges from 11.1% to 11.6% per annum with maturity dates from July 20, 2010 to September 21, 2010

6 ADVANCE TAX

Tax deducted on TDR Profit
Tax deducted on Cash Withdrawals

1,059,486	340,040
367	200
1,059,853	340,240

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
Silk Bank - PLS Account

17,749,091	6,499,064
2	65
17,749,093	6,499,129
33,985	106,861
17,783,078	6,605,990



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CIVIL SERVICES CO-OPERATIVE
HOUSING SOCIETY LIMITED

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9 ADVANCES FROM MEMBERS AGAINST COST OF LAND

	2010 Rupees	2009 Rupees
Opening Balance	148,716,195	94,465,661
Received During the Year	71,896,000	54,250,534
	<u>220,612,195</u>	<u>148,716,195</u>

10 ISSUED, SUBSCRIBED & PAID UP CAPITAL

Opening Balance	100,500	94,400
Shares issued during the year	2,700	6,100
	<u>103,200</u>	<u>100,500</u>

11 RESERVE AND FUNDS

	Opening balance	Appropriation for the year	Total	Total
General reserve fund	810,535	1,576,388	2,386,923	810,535
Building fund	2,500,000	4,000,000	6,500,000	2,500,000
Amenity fund	2,000,000	3,000,000	5,000,000	2,000,000
	<u>5,310,535</u>	<u>8,576,388</u>	<u>13,886,923</u>	<u>5,310,535</u>

12 INVESTMENT INCOME

National Bank of Pakistan - Term Deposits	11,296,905	986,301
Saudi Pak Bank - Term Deposit	-	985,788
Standard Chartered Bank - Term Deposits	-	2,710,000
United Bank Limited - Term Deposits	-	605,651
Silk Bank Limited - Term Deposits	2,867,194	1,804,624
	<u>14,164,099</u>	<u>7,092,364</u>

13 PROFIT FROM BANK ACCOUNT

Saudi Pak Bank	3,990	116,213
Silk Bank	11,193	6,117
	<u>15,183</u>	<u>122,330</u>

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.

Squad
Chairperson

Secretary
Secretary

Committee Member
Committee Member

