

**CIVIL SERVICE CO-OPERATIVE
HOUSING SOCIETY LIMITED
ACCOUNTS FOR THE YEAR ENDED
JUNE 30, 2015**

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-OPERTATIVE HOUSING SOCIETY LIMITED (the 'Society')** as at June 30, 2015 and related profit and loss account and statement of changes in equity together with the notes forming part thereof, for the year then ended 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 purpose of our audit.

It is the responsibility of the Company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said 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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FEROZ AZIZ & COMPANY

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- (b) As per Bye-laws Clause 3 Sub clause 2(b) authorised Share shall not at any one time exceed Rs.100,000/- from the issue of shares without the sanction of General meeting of the society, at that time Paid up Share Rs 129,600/-, which is exceed the limit of authorised share

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, 2015 and its surplus and cash flows for the year then ended in accordance with the approved accounting standards as applicable in Pakistan.

Dated: _____

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CHARTERED ACCOUNTANT



CIVIL SERVICES CO-OPERATIVE HOUSING SOCIETY LIMITED
BALANCE SHEET
AS ON JUNE 30, 2015

	Note	2015 Rupees	2014 Rupees
<u>Non-Current Assets</u>			
Furniture & office equipments	3	104,953	123,475
Advance against acquisition of land	4	271,705,053	271,705,053
		271,810,006	271,828,528
<u>Current Assets</u>			
Short term investments	5	265,000,000	220,000,000
Advance income tax	6	3,239,625	3,023,122
Others	7	655,468	1,095,550
Cash at banks	8	11,142,017	44,985,054
		280,037,110	269,103,726
		551,847,116	540,932,255
<u>Non-Current Liability</u>			
Advances from members against cost of land	9	438,700,097	451,430,376
<u>Current Liability</u>			
Accrued Expense		260,000	195,000
<u>Equity</u>			
<u>Authorized Capital</u>			
1000 shares of Rs 100 each		100,000	100,000
<u>Issued, subscribed & paid up capital</u>			
1296 (2014 : 1296) shares of Rs 100 each fully paid in cash	10	129,600	129,600
Reserve and funds	11	110,330,657	86,750,516
Surplus for the year		2,426,762	2,426,762
		112,887,019	89,306,878
		551,847,116	540,932,255

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


 Chairperson



 Secretary


 Committee Member

CIVIL SERVICES CO-OPERATIVE HOUSING SOCIETY LIMITED
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2015

INCOME	Note	2015 Rupees	2014 Rupees
Profit on term deposits	12	22,563,055	18,680,022
Profit on bank deposits	13	2,170,028	1,252,718
		24,733,083	19,932,740
EXPENDITURE			
Salaries and benefits		645,000	780,000
Printing and stationery		14,210	7,855
Bank charges		700	-
Postage		2,260	2,000
Web Expense		158,920	118,000
Internet Charges		10,605	10,744
Telephone		33,470	36,140
Audit Expense		65,000	65,000
Fuel Expenses		14,300	18,725
Office Expenses		28,790	15,240
Repair & Maintenance		36,370	10,370
Entertainment		9,835	9,660
Depreciation		18,522	21,790
		1,037,982	1,095,524
Other Expense			
Advertisement		114,960	-
		114,960	-
Surplus for the year		23,580,141	18,837,216
Accumulated surplus brought forward		2,426,762	2,426,762
Surplus available for appropriation		26,006,903	21,263,978
Appropriations			
General reserve fund		2,358,014	1,883,722
Building fund		7,074,042	5,651,165
Amenity fund		7,074,042	5,651,165
Development fund special		7,074,042	5,651,165
		23,580,141	18,837,216
Accumulated surplus carried over		2,426,762	2,426,762

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





Chairperson
Secretary
Committee Member

CIVIL SERVICES CO-OPERATIVE HOUSING SOCIETY LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2015

CASH FLOW FROM OPERATING ACTIVITIES	2015 Rupees	2014 Rupees
Surplus for the year	23,580,141	18,837,216
<u>Adjustment for non cash item</u>		
Depreciation	18,522	21,790
Operating Surplus Working Capital Changes	23,598,663	18,859,006
<u>Decrease / (Increase) in assets</u>		
Advance against acquisition of land	-	-
Others	440,082	(80,726)
	440,082	(80,726)
<u>Increase / (Decrease) in Liabilities</u>		
Advances from members against cost of land	(12,730,279)	17,686,312
Accrued Expense	65,000	65,000
	11,373,466	36,529,592
Taxes paid	(216,503)	(125,272)
Net cash generated from operating activities	11,156,963	36,404,320
CASH FLOW FROM INVESTING ACTIVITIES		
Short term Investment Encashed	(45,000,000)	(29,000,000)
Fixed assets purchased	-	-
Net cash generated/(used) from Investing activities	(45,000,000)	(29,000,000)
Net increase / (decrease) in cash & cash equivalent	(33,843,037)	7,404,320
Cash & Bank at the beginning of the year	44,985,054	37,580,733
Closing balance of Cash & Bank	11,142,017	44,985,054

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



 Chairperson



 Secretary



 Committee Member

**CIVIL SERVICES CO-OPERATIVE HOUSING SOCIETY LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2015**

	Issued, Subscribed & Paid up Capital Rupees	Surplus Rupees	Total Rupees
Balance as on June 30, 2013	129,600	70,340,062	70,469,662
Surplus for the year ended June 30, 2014	-	18,837,216	18,837,216
Balance as on June 30, 2014	<u>129,600</u>	<u>89,177,278</u>	<u>89,306,878</u>
Surplus for the year ended June 30, 2015	-	23,580,141	23,580,141
Balance as on June 30, 2015	<u><u>129,600</u></u>	<u><u>112,757,419</u></u>	<u><u>112,887,019</u></u>


Chairperson


Secretary


Committee Member

CIVIL SERVICES CO-OPERATIVE HOUSING SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

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 Investment

Investment recorded as per IAS 39

2.5 Revenue recognition

Return on bank deposits and Investments are recognized on Accrual basis

2.6 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.

2.7 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.

2.8 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.

3 FURNITURE AND OFFICE EQUIPMENTS

Description	C O S T				D E P R E C I A T I O N			
	As at July 1, 2014	Addition during the year	As at June 30, 2015	Rate %	As at July 1, 2014	For the year	As at June 30, 2015	Written Down Value as at June 30, 2015
	Rupees	Rupees	Rupees		Rupees	Rupees	Rupees	Rupees
Furniture & Fittings	76,800	-	76,800	15%	51,342	3,819	55,161	21,639
Office Equipments	252,000	-	252,000	15%	153,983	14,703	168,686	83,314
Total - 2015	328,800	-	328,800		205,325	18,522	223,847	104,953
Total - 2014	328,800	-	328,800		183,535	21,790	205,325	123,475

4 ACQUISITION OF LAND, DUTIES AND DEVELOPMENT EXPS.

	2015 Rupees	2014 Rupees
Opening Balance		
Land Cost	227,499,999	227,499,999
Consultancy Cost	2,688,094	2,688,094
Development Expenses	876,000	876,000
Govt. Duties and Ground Rent	40,640,960	40,640,960
	271,705,053	271,705,053

5 SHORT TERM INVESTMENT

	2015 Rupees	2014 Rupees
National Bank of Pakistan Term Deposit Certificates	265,000,000	220,000,000
Silk Bank Term Deposit Certificates	-	-
	265,000,000	220,000,000

5.1 Rate of return ranges from 7.75% to 9.45% per annum with maturity dates from July 01, 2014 to June 30, 2015.

6 ADVANCE TAX

Tax deducted on Profit	3,236,848	3,020,345
Tax deducted on Cash Withdrawals	2,778	2,778
	3,239,625	3,023,122

7 OTHER RECEIVABLES

Profit Receivable	585,178	1,025,260
Members Cheques Return	228,300	228,300
Unrecorded Expenses	76,990	76,990
Members Cheques Received	(235,000)	(235,000)
	655,468	1,095,550

8 CASH AND BANK BALANCES

National Bank of Pakistan - Current Account	10,405,829	1,429,973
National Bank of Pakistan - PLS Account	654,999	43,524,051
Silk Bank - PLS Account	4,442	4,442
	11,065,269	44,958,466
Cash in Hand	76,748	26,588
	11,142,017	44,985,054

9 <u>ADVANCES FROM MEMBERS</u>		2015	2014	
<u>AGAINST COST OF LAND</u>		Rupees	Rupees	
Opening Balance		451,430,376	433,744,064	
Received During the Year		4,119,721	21,741,312	
Refund During the Year		(16,850,000)	(4,055,000)	
		<u>438,700,097</u>	<u>451,430,376</u>	
10 <u>ISSUED, SUBSCRIBED & PAID UP CAPITAL</u>				
Opening Balance		129,600	129,600	
		<u>129,600</u>	<u>129,600</u>	
11 <u>RESERVE AND FUNDS</u>	Opening balance	Appropriation for the year	2015 Rupees	2014 Rupees
General reserve fund	9,915,959	2,358,014	12,273,973	9,915,959
Building fund	26,611,519	7,074,042	33,685,561	26,611,519
Amenity fund	22,611,519	7,074,042	29,685,561	22,611,519
Development fund special	27,611,519	7,074,042	34,685,561	27,611,519
	<u>86,750,516</u>	<u>23,580,141</u>	<u>110,330,657</u>	<u>86,750,516</u>
12 <u>INVESTMENT INCOME</u>				
National Bank of Pakistan - Term Deposits			22,563,055	18,680,022
			<u>22,563,055</u>	<u>18,680,022</u>
13 <u>PROFIT FROM BANK ACCOUNT</u>				
National Bank Limited - PLS Account			2,170,028	1,252,718
			<u>2,170,028</u>	<u>1,252,718</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.


Chairperson


Secretary


Committee Member