

**CIVIL SERVICE CO-OPERATIVE
HOUSING SOCIETY LIMITED
ACCOUNTS FOR THE YEAR ENDED
JUNE 30, 2017**

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, 2017 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

Chartered Accountants

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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, 2017 and its surplus and cash flows for the year then ended in accordance with the approved accounting standards as applicable in Pakistan.

Dated: _____

FAZ

CHARTERED ACCOUNTANT



CIVIL SERVICES CO-OPERATIVE HOUSING SOCIETY LIMITED
BALANCE SHEET
AS ON JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
<u>Non-Current Assets</u>			
Furniture & office equipments	3	75,828	89,210
Advance against acquisition of land	4	271,705,053	271,705,053
		271,780,881	271,794,263
<u>Current Assets</u>			
Short term investments	5	280,000,000	275,000,000
Advance income tax	6	8,072,402	5,970,915
Others	7	3,918,180	452,360
Cash at banks	8	1,148,129	4,695,736
		293,138,711	286,119,011
		564,919,592	557,913,274
<u>Non-Current Liability</u>			
Advances from members against cost of land	9	421,600,597	429,037,297
<u>Current Liability</u>			
Accrued Expense		390,000	325,000
<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 (2016 : 1296) shares of Rs 100 each fully paid in cash	10	129,600	129,600
Reserve and funds	11	140,372,633	125,994,615
Surplus for the year		2,426,762	2,426,762
		142,928,995	128,550,977
		564,919,592	557,913,274




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, 2017

INCOME	Note	2017 Rupees	2016 Rupees
Profit on term deposits	12	15,459,132	16,638,429
Members' admission fees		-	-
Profit on bank deposits	13	26,568	31,621
		15,485,700	16,670,050
EXPENDITURE			
Salaries and benefits		650,000	600,000
Printing and stationery		8,140	1,520
Bank charges		-	700
Postage		4,780	2,330
Web Expense		136,500	147,200
Internet Charges		42,530	13,714
Telephone		2,200	31,900
Legal and Professional		120,000	-
Audit Expense		65,000	65,000
Fuel Expenses		19,200	12,600
Miscellaneous		-	-
Office Expenses		26,410	21,900
Repair & Maintenance		6,180	8,235
Entertainment		10,550	10,100
Office rent		-	72,000
Conveyance		2,810	3,150
Depreciation		13,382	15,743
		1,107,682	1,006,092
Surplus for the year		14,378,018	15,663,958
Accumulated surplus brought forward		2,426,762	2,426,762
Surplus available for appropriation		16,804,780	18,090,720
Appropriations			
General reserve fund		1,437,802	1,566,396
Building fund		4,313,405	4,699,187
Amenity fund		4,313,405	4,699,187
Development fund special		4,313,405	4,699,187
		14,378,018	15,663,958
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, 2017

CASH FLOW FROM OPERATING ACTIVITIES	2017 Rupees	2016 Rupees
Surplus for the year	14,378,018	15,663,958
<u>Adjustment for non cash item</u>		
Depreciation	13,382	15,743
Operating Surplus Working Capital Changes	14,391,400	15,679,701
<u>Decrease / (Increase) in assets</u>		
Advance against acquisition of land	-	-
Others	(3,465,820)	203,108
	(3,465,820)	203,108
<u>Increase / (Decrease) in Liabilities</u>		
Advances from members against cost of land	(7,436,700)	(9,662,800)
Accrued Expense	65,000	65,000
	3,553,880	6,285,009
Taxes paid	(2,101,487)	(2,731,290)
Net cash generated from operating activities	1,452,393	3,553,719
CASH FLOW FROM INVESTING ACTIVITIES		
Short term Investment Encashed	(5,000,000)	(10,000,000)
Fixed assets purchased	-	-
Net cash generated/ (used) from Investing activities	(5,000,000)	(10,000,000)
Net increase / (decrease) in cash & cash equivalent	(3,547,607)	(6,446,281)
Cash & Bank at the beginning of the year	4,695,736	11,142,017
Closing balance of Cash & Bank	1,148,129	4,695,736

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, 2017**

	Issued, Subscribed & Paid up Capital Rupees	Surplus Rupees	Total Rupees
Balance as on June 30, 2015	129,600	112,757,419	112,887,019
Surplus for the year ended June 30, 2016		15,663,958	15,663,958
Balance as on June 30, 2016	129,600	128,421,377	128,550,977
Surplus for the year ended June 30, 2017	-	14,378,018	14,378,018
Balance as on June 30, 2017	129,600	142,799,395	142,928,995


Chairperson


Secretary


Committee Member

CIVIL SERVICES CO-OPERATIVE HOUSING SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017

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				Rate %	D E P R E C I A T I O N			
	As at July 1, 2016	Addition during the year	As at June 30, 2017			As at July 1, 2016	For the year	As at June 30, 2017	Written Down Value as at June 30, 2017
Furniture & Fittings	Rupees 76,800	Rupees -	Rupees 76,800	15%	Rupees 58,407	Rupees 2,759	Rupees 61,166	Rupees 15,634	
Office Equipments	252,000	-	252,000	15%	181,183	10,623	191,806	60,194	
Total - 2017	328,800	-	328,800		239,590	13,382	252,972	75,828	
Total - 2016	328,800	-	328,800		223,847	15,743	239,590	89,210	

4 ACQUISITION OF LAND, DUTIES AND DEVELOPMENT EXPS.

	2017 Rupees	2016 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
	<u>271,705,053</u>	<u>271,705,053</u>

5 SHORT TERM INVESTMENT

	2017 Rupees	2016 Rupees
National Bank of Pakistan Term Deposit Certificates	280,000,000	275,000,000
Silk Bank Term Deposit Certificates	-	-
	<u>280,000,000</u>	<u>275,000,000</u>

5.1

Rate of return ranges from 5.50% to 6% per annum with maturity dates from July 01, 2016 to June 30, 2017.

6 ADVANCE TAX

Tax deducted on Profit	8,059,949	5,958,463
Tax deducted on Cash Withdrawals	12,453	12,453
	<u>8,072,402</u>	<u>5,970,915</u>

7 OTHER RECEIVABLES

Profit Receivable	3,847,890	382,070
Members Cheques Return	228,300	228,300
Unrecorded Expenses	76,990	76,990
Members Cheques Received	(235,000)	(235,000)
	<u>3,918,180</u>	<u>452,360</u>

8 CASH AND BANK BALANCES

National Bank of Pakistan - Current Account	377,820	3,961,538
National Bank of Pakistan - PLS Account	707,368	683,457
Silk Bank - PLS Account	4,442	4,442
	<u>1,089,630</u>	<u>4,649,437</u>
Cash in Hand	58,499	46,299
	<u>1,148,129</u>	<u>4,695,736</u>

9 <u>ADVANCES FROM MEMBERS</u>		2017	2016	
<u>AGAINST COST OF LAND</u>		Rupees	Rupees	
Opening Balance		429,037,297	438,700,097	
Received During the Year		1,438,300	2,252,200	
Refund During the Year		(8,875,000)	(11,915,000)	
		<u>421,600,597</u>	<u>429,037,297</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	2017 Rupees	2016 Rupees
General reserve fund	13,840,369	1,437,802	15,278,170	13,840,369
Building fund	38,384,749	4,313,405	42,698,154	38,384,749
Amenity fund	34,384,749	4,313,405	38,698,154	34,384,749
Development fund special	39,384,749	4,313,405	43,698,154	39,384,749
	<u>125,994,615</u>	<u>14,378,018</u>	<u>140,372,633</u>	<u>125,994,615</u>
12 <u>INVESTMENT INCOME</u>				
National Bank of Pakistan - Term Deposits			15,459,132	16,638,429
			<u>15,459,132</u>	<u>16,638,429</u>
13 <u>PROFIT FROM BANK ACCOUNT</u>				
National Bank Limited - PLS Account			26,568	31,621
			<u>26,568</u>	<u>31,621</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