

**CIVIL SERVICE CO-OPERATIVE
HOUSING SOCIETY LIMITED
ACCOUNTS FOR THE YEAR ENDED
JUNE 30, 2019**

FEROZ AZIZ & COMPANY

Chartered Accountants

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AUDITORS REPORT TO THE MEMBERS

We have examined the annexed Balance Sheet of **CIVIL SERVICES CO-OPERTATIVE HOUSING SOCIETY LIMITED** Karachi as at June 30, 2019 and the related Income & Expenditure Account for the year then ended together with the notes forming part thereto. These financial statements are the responsibility of the Society's management. Our responsibility is to express an opinion on these financial statements based on our audit. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances and we report 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.

Except for above, in our opinion and to the best of our information and according to the explanation given to us, the Balance Sheet and the related Income and Expenditure Accounts, which are in agreement with the books of account, exhibit respectively a fair view of state of the Society's affairs as at June 30, 2019 and of the surplus for the year ended on the date.

26-10, 2019



CHARTERED ACCOUNTANTS

CIVIL SERVICES CO-OPERATIVE HOUSING SOCIETY LIMITED
BALANCE SHEET
AS ON JUNE 30, 2019

	Note	2019 Rupees	2018 Rupees
<u>Non-Current Assets</u>			
Furniture & office equipments	3	272,114	64,454
Advance against acquisition of land	4	271,905,053	271,705,053
		272,177,167	271,769,507
<u>Current Assets</u>			
Short term investments	5	250,000,000	250,000,000
Advance income tax	6	11,087,997	10,188,159
Pre paid & others receivable	7	12,323,670	3,303,166
Cash at banks	8	45,196,596	34,155,116
		318,608,263	297,646,441
		590,785,430	569,415,949
<u>Non-Current Liability</u>			
Advances from members against cost of land	9	415,034,297	413,369,997
<u>Current Liability</u>			
Accrued Expense		98,010	89,100
<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 (2018 : 1296) shares of Rs 100 each fully paid in cash	10	129,600	129,600
Reserve and funds	11	173,096,761	153,400,489
Surplus for the year		2,426,762	2,426,762
		175,653,123	155,956,851
		590,785,430	569,415,949

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, 2019

	Note	2019 Rupees	2018 Rupees
INCOME			
Profit on term deposits	12	20,660,959	14,279,122
Profit on bank deposits	13	1,434,682	479,750
		22,095,641	14,758,872
EXPENDITURE			
Salaries and benefits		1,312,500	605,000
Printing and stationery		21,755	12,294
Bank charges		700	-
Postage		2,680	130,400
Web Expense		144,720	135,600
Internet Charges		8,394	45,275
Telephone		14,410	10,750
Legal and Professional		-	120,000
Audit Expense		98,010	120,300
Fuel Expenses		18,100	19,900
Office Expenses		24,550	61,380
Repair & Maintenance		10,020	4,450
Entertainment		4,160	19,218
Office rent		556,650	-
AGM Expense		-	435,074
Conveyance		10,500	-
Depreciation		48,020	11,374
		2,275,169	1,731,015
Other Expense			
Advertisement		124,200	-
		124,200	-
Surplus for the year		19,696,272	13,027,857
Accumulated surplus brought forward		2,426,762	2,426,762
Surplus available for appropriation		22,123,034	15,454,619
Appropriations			
General reserve fund		1,969,627	1,302,786
Building fund		5,908,882	3,908,357
Amenity fund		5,908,882	3,908,357
Development fund special		5,908,882	3,908,357
		19,696,272	13,027,857
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, 2019

	2019 Rupees	2018 Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Surplus for the year	19,696,272	13,027,857
<u>Adjustment for non cash item</u>		
Depreciation	48,020	11,374
Operating Surplus Working Capital Changes	19,744,292	13,039,231
<u>Decrease / (Increase) in assets</u>		
Advance against acquisition of land	(200,000)	-
Pre paid & others receivable	(9,020,504)	615,014
	(9,220,504)	615,014
<u>Increase / (Decrease) in Liabilities</u>		
Advances from members against cost of land	1,664,300	(8,230,600)
Accrued Expense	8,910	(300,900)
	12,196,998	5,122,744
Taxes paid	(899,838)	(2,115,757)
Net cash generated from operating activities	11,297,160	3,006,988
CASH FLOW FROM INVESTING ACTIVITIES		
Short term Investment Encashed	-	30,000,000
Fixed assets purchased	(255,680)	-
Net cash generated/ (used) from Investing activities	(255,680)	30,000,000
Net increase / (decrease) in cash & cash equivalent	11,041,480	33,006,988
Cash & Bank at the beginning of the year	34,155,116	1,148,129
Closing balance of Cash & Bank	45,196,596	34,155,116

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



 Chairperson



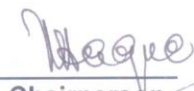
 Secretary



 Committee Member

CIVIL SERVICES CO-OPERATIVE HOUSING SOCIETY LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2019

	Issued, Subscribed & Paid up Capital Rupees	Surplus Rupees	Total Rupees
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
Surplus for the year ended June 30, 2018	-	13,027,857	13,027,857
Balance as on June 30, 2018	<u>129,600</u>	<u>155,827,251</u>	<u>155,956,851</u>
Surplus for the year ended June 30, 2019	-	19,696,272	19,696,272
Balance as on June 30, 2019	<u>129,600</u>	<u>175,523,523</u>	<u>175,653,123</u>



Chairperson



Secretary



Committee Member

CIVIL SERVICES CO-OPERATIVE HOUSING SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

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, 2018	Addition during the year	As at June 30, 2019		As at July 1, 2018	For the year	As at June 30, 2019	Written Down Value as at June 30, 2019
	Rupees	Rupees	Rupees		Rupees	Rupees	Rupees	Rupees
Furniture & Fittings	76,800	187,680	264,480	15%	63,511	30,145	93,656	170,824
Office Equipments	252,000	68,000	320,000	15%	200,835	17,875	218,710	101,290
Total - 2019	328,800	255,680	584,480		264,346	48,020	312,366	272,114
Total - 2018	328,800	-	328,800		252,972	11,374	264,346	64,454

4 ACQUISITION OF LAND, DUTIES AND DEVELOPMENT EXPS.

	2019 Rupees	2018 Rupees
Opening Balance		
Land Cost	271,705,053	271,705,053
Consultancy Cost	-	-
Development Expenses	200,000	-
Govt. Duties and Ground Rent	-	-
	271,905,053	271,705,053

5 SHORT TERM INVESTMENT

	2019 Rupees	2018 Rupees
National Bank of Pakistan Term Deposit Certificates	250,000,000	250,000,000
Silk Bank Term Deposit Certificates		
	250,000,000	250,000,000

5.1

Rate of return ranges from 5.85% to 10.10% per annum with maturity dates from July 01, 2018 to June 30, 2019.

6 ADVANCE TAX

Tax deducted on Profit	11,075,545	10,175,706
Tax deducted on Cash Withdrawals	12,453	12,453
	11,087,997	10,188,159

7 OTHER RECEIVABLES

Profit Receivable	11,898,630	3,232,876
Pre paid rent	354,750	-
Members Cheques Return	228,300	228,300
Unrecorded Expenses	76,990	76,990
Members Cheques Received	(235,000)	(235,000)
	12,323,670	3,303,166

8 CASH AND BANK BALANCES

National Bank of Pakistan - Current Account	5,897,250	6,064,134
National Bank of Pakistan - PLS Account	39,209,757	27,989,143
Silk Bank - PLS Account	4,442	4,442
	45,111,448	34,057,719
Cash in Hand	85,148	97,397
	45,196,596	34,155,116

9 ADVANCES FROM MEMBERS
AGAINST COST OF LAND

Opening Balance
Received During the Year
Refund During the Year

2019
Rupees

2018
Rupees

413,369,997
8,664,300
(7,000,000)

421,600,597
2,654,400
(10,885,000)

415,034,297

413,369,997

10 ISSUED, SUBSCRIBED & PAID UP CAPITAL

Opening Balance

129,600
129,600

129,600

129,600

11 RESERVE AND FUNDS

Opening
balance

Appropriation for the year

2019
Rupees

2018
Rupees

General reserve fund
Building fund
Amenity fund
Development fund special

16,580,956
46,606,511
42,606,511
47,606,511

1,969,627
5,908,882
5,908,882
5,908,882

18,550,583
52,515,393
48,515,393
53,515,393

16,580,956
46,606,511
42,606,511
47,606,511

153,400,489

19,696,272

173,096,761

153,400,489

12 INVESTMENT INCOME

National Bank of Pakistan - Term Deposits

20,660,959
14,279,122

20,660,959

14,279,122

13 PROFIT FROM BANK ACCOUNT

National Bank Limited - PLS Account

1,434,682
479,750

1,434,682

479,750

14 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorized for issue on 26-10-19 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