

FEROZ AZIZ & COMPANY

Chartered Accountants

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CIVIL SERVICES CO-OPERATIVE HOUSING SOCIETY LIMITED
ACCOUNTS FOR THE YEAR ENDED
JUNE 30, 2020

FEROZ AZIZ & COMPANY

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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, 2020 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, 2020 and of the surplus for the year ended on the date.

25-09, 2020


CHARTERED ACCOUNTANTS


CIVIL SERVICES CO-OPERATIVE HOUSING SOCIETY LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2020

	Note	2020 Rupees	2019 Rupees
Non-Current Assets			
Furniture & office equipments	3	1,970,040	272,114
Advance against acquisition of land	4	374,972,176	271,905,053
		376,942,216	272,177,167
Current Assets			
Short term investments	5	411,898,630	250,000,000
Advance income tax	6	16,906,354	11,087,997
Pre paid & others receivable	7	425,040	12,323,670
Cash and bank balances	8	12,837,367	45,196,596
		442,067,391	318,608,263
		819,009,607	590,785,431
Equity			
Authorized Capital			
1000 shares of Rs 100 each		100,000	100,000
Issued, subscribed & paid up capital			
1296 (2019 : 1296) shares of Rs 100 each fully paid in cash	9	129,600	129,600
Reserves and funds	10	202,754,516	173,096,762
Surplus for the year		2,426,762	2,426,762
		205,310,878	175,653,124
Non-Current Liabilities			
Advances from members against cost of land	11	594,130,797	415,034,297
Current Liabilities			
Accrued Expenses		98,010	98,010
Retention money		4,785,939	-
Sales tax payable		11,235,968	-
Withholding tax		3,448,017	-
		19,567,934	98,010
		819,009,607	590,785,431

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, 2020

	Note	2020 Rupees	2019 Rupees
INCOME			
Profit on term deposits	12	31,557,377	20,660,959
Profit on bank deposits	13	3,673,148	1,434,682
		35,230,525	22,095,641
EXPENDITURE			
Salaries and benefits		2,438,450	1,312,500
Printing and stationery		65,228	21,755
Bank charges		750	700
Postage		186,924	2,680
Web Expense		146,335	144,720
Internet Charges		10,084	8,394
Telephone		39,611	14,410
Legal and Professional		218,010	-
Audit Fee			98,010
Fuel Expenses		18,900	18,100
Office Expenses		13,970	24,550
Electric charges		27,547	-
Repair & Maintenance		14,320	10,020
Entertainment		17,699	4,160
Office rent		936,540	556,650
AGM Expense		693,679	-
Conveyance		2,000	10,500
Depreciation		347,654	48,020
		5,177,701	2,275,169
Other Expense			
Advertisement		395,070	124,200
		395,070	124,200
Surplus for the year		29,657,754	19,696,272
Accumulated surplus brought forward		2,426,762	2,426,762
Surplus available for appropriation		32,084,516	22,123,034
Appropriations			
General reserve fund		2,965,775	1,969,627
Building fund		8,897,326	5,908,882
Amenity fund		8,897,326	5,908,882
Development fund special		8,897,326	5,908,882
		29,657,754	19,696,272
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
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2020

	2020 Rupees	2019 Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Surplus for the year	29,657,754	19,696,272
<u>Adjustment for non cash item</u>		
Depreciation	347,654	48,020
Operating Surplus Working Capital Changes	30,005,408	19,744,292
<u>Decrease / (Increase) in Assets</u>		
Advance against acquisition of land	(103,067,123)	(200,000)
Pre paid & others receivable	11,898,630	(9,020,504)
	(91,168,493)	(9,220,504)
<u>Increase / (Decrease) in Liabilities</u>		
Advances from members against cost of land	179,096,500	1,664,300
Accrued Expense	-	8,910
Current liabilities	19,469,924	
	137,403,339	12,196,998
Taxes paid	(5,818,357)	(899,838)
Net cash generated from operating activities	131,584,982	11,297,160
CASH FLOW FROM INVESTING ACTIVITIES		
Short term Investment	(161,898,630)	-
Fixed assets purchased	(2,045,580)	(255,680)
Net cash generated/ (used) from Investing activities	(163,944,210)	(255,680)
Net increase / (decrease) in cash & cash equivalent	(32,359,228)	11,041,480
Cash and cash equivalents at beginning of year	45,196,596	34,155,116
Cash and cash equivalents at end of year	12,837,367	45,196,596

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, 2020

	Issued, Subscribed & Paid up Capital	Surplus	Total
	Rupees	Rupees	Rupees
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	129,600	155,827,252	155,956,852
Surplus for the year ended June 30, 2019	-	19,696,272	19,696,272
Balance as on June 30, 2019	129,600	175,523,524	175,653,124
Surplus for the year ended June 30, 2020	-	29,657,754	29,657,754
Balance as on June 30, 2020	129,600	205,181,278	205,310,878

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


Chairperson


Secretary


Committee Member

CIVIL SERVICES CO-OPERATIVE HOUSING SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

1. THE SOCIETY AND ITS LEGAL STATUS

- 1.1 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.
- 1.2 The COVID-19 outbreak has affected commercial operations globally. However, there are no material implications of COVID-19 on the company's operations that require specific disclosure in the financial statements.

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			Written Down Value as at June 30, 2020
	As at July 1, 2019	Addition during the year	As at June 30, 2020	Rate %	As at July 1, 2019	For the year	As at June 30, 2020
	Rupees	Rupees	Rupees		Rupees	Rupees	Rupees
Furniture & Fittings	264,480	-	264,480	15%	93,656	25,624	119,280
Office Equipments	320,000	-	320,000	15%	218,710	15,194	233,904
Vehicles	-	1,745,000	1,745,000	15%	-	261,750	261,750
Software	-	300,580	300,580	15%	-	45,087	45,087
Total - 2019	584,480	2,045,580	2,630,060		312,366	347,654	660,020
Total - 2018	328,800	255,680	584,480		264,346	48,020	264,346

4 ADVANCE AGAINST ACQUISITION OF LAND

	2020 Rupees	2019 Rupees
Opening Balance	271,905,053	271,705,053
Development Expenses	103,067,123	200,000
	<u>374,972,176</u>	<u>271,905,053</u>

5 SHORT TERM INVESTMENT

National Bank of Pakistan Term Deposit Certificates	411,898,630	250,000,000
	<u>411,898,630</u>	<u>250,000,000</u>

5.1 Rate of return ranges from 10.10% to 12.70% per annum with maturity dates from July 01, 2019 to June 30, 2020.

6 ADVANCE TAX

Tax deducted on Profit	16,692,083	11,075,545
Tax deducted on Cash Withdrawals	199,271	12,453
Advance vehicle tax	15,000	-
	<u>16,906,354</u>	<u>11,087,997</u>

7 PRE-PAID AND OTHER RECEIVABLES

Profit Receivable	-	11,898,630
Pre paid rent	354,750	354,750
Members Cheques Return	-	228,300
Other receivables	70,290	-
Unrecorded Expenses	-	76,990
Members Cheques Received	-	(235,000)
	<u>425,040</u>	<u>12,323,670</u>

8 CASH AND BANK BALANCES

Cash at Bank		
National Bank of Pakistan - Current Account	101,520	5,897,250
National Bank of Pakistan - PLS Account	12,640,584	39,209,757
Silk Bank - PLS Account	4,442	4,442
	<u>12,746,546</u>	<u>45,111,449</u>
Cash in Hand	90,822	85,148
	<u>12,837,367</u>	<u>45,196,596</u>

	2020 Rupees	2019 Rupees
9 ISSUED, SUBSCRIBED & PAID UP CAPITAL		
1296 shares of 100 each fully paid in cash	129,600	129,600
	<u>129,600</u>	<u>129,600</u>

10 RESERVE AND FUNDS	Opening balance	Appropriation for the year		
General reserve fund	18,550,583	2,965,775	21,516,358	18,550,583
Building fund	52,515,393	8,897,326	61,412,719	52,515,393
Amenity fund	48,515,393	8,897,326	57,412,719	48,515,393
Development fund special	53,515,393	8,897,326	62,412,719	53,515,393
	<u>173,096,762</u>	<u>29,657,754</u>	<u>202,754,516</u>	<u>173,096,762</u>

11 ADVANCES FROM MEMBERS AGAINST COST OF LAND		
Opening Balance	415,034,297	413,369,997
Received During the Year	180,407,600	8,664,300
Refund During the Year	(1,311,100)	(7,000,000)
	<u>594,130,797</u>	<u>415,034,297</u>

12 PROFIT ON TERM DEPOSITS		
National Bank of Pakistan - Term Deposits	31,557,377	20,660,959
	<u>31,557,377</u>	<u>20,660,959</u>

13 PROFIT ON BANK DEPOSITS		
National Bank Limited - PLS Account	3,673,148	1,434,682
	<u>3,673,148</u>	<u>1,434,682</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