

# FEROZ AZIZ & COMPANY

Chartered Accountants

211, Business Arcade,  
Block 6, P.E.C.H.S,  
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## THE CIVIL SERVICES CO-OPERATIVE HOUSING SOCIETY LIMITED

### Opinion

We have audited the accompanying financial statements of The Civil Services Co-operative Housing Society Limited (the "Society"), which comprise the statement of financial position as at June 30, 2023 and the statement of cash flow for the year then ended together with the notes thereto, and the report and we state that we have obtained all the information and explanation which, to the best of our knowledge and belief, were necessary for the purpose of this audit.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at 30 June 2023 and the statement of cash flow for the year then ended in accordance with accepted accounting and reporting standards applicable to Societies.

### **THE CIVIL SERVICES CO-OPERATIVE HOUSING SOCIETY LIMITED ACCOUNTS FOR THE YEAR ENDED**

**JUNE 30, 2023**

We conducted our audit in accordance with the Audited Accounts and Audited Financial Statements for the Audit of the Financial Statements issued by the Institute of Chartered Accountants of Pakistan in accordance with the Institute's Code of Ethics for Professional Accountants, current as at the date of audit, and the Audited Accounts as adopted by the Institute of Chartered Accountants of Pakistan. The Code and the Audited Accounts set out the responsibilities for preparation and presentation of the Society's financial statements.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The management is responsible for the preparation and fair presentation of the financial statements in accordance with the general accounting and reporting standards as applicable in Pakistan and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Society or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society's financial reporting process.



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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CIVIL SERVICES CO-OPERATIVE HOUSING SOCIETY LIMITED

### **Opinion**

We have audited the accompanying financial statements of M/s Civil Services Co-operative Housing Society Limited (the 'Entity'), which comprise the statement of financial position as at June 30, 2023 and the statement of Cash Flow for the year then ended together with the notes forming part thereof, and we state that we have obtained all the information and explanation which, to the best of our knowledge and belief, were necessary for the purpose of the audit.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at 30 June 2023 and of its financial performance for the year then ended in accordance with approved accounting and reporting standards as applicable in Pakistan.

### **Basis for Opinion**

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Entity in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The management is responsible for the preparation and fair presentation of the financial statements in accordance with the approved accounting and reporting standards as applicable in Pakistan and for such internal control as the management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.



# FEROZ AZIZ & COMPANY

Chartered Accountants

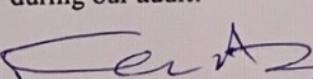
## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAS as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAS as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

  
 Feroz Aziz & Company  
 Chartered Accountants  
 Karachi  
 Date: 30 December 2023

Engagement Partner: Feroz Abdul Aziz, FCA

UDIN# AR202310480a8St0zp6T

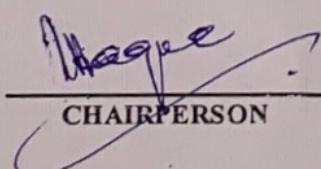
# CIVIL SERVICES CO-OPERATIVE HOUSING SOCIETY LIMITED

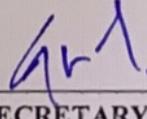
## Statement of Financial Position

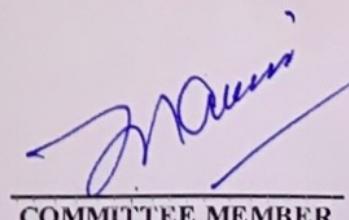
As at June 30, 2023

	Note	2023 Rupees	2022 (Restated) Rupees
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Fixed assets	2	2,025,478	2,072,715
Capital work in progress	3	2,091,383,064	1,122,530,178
		2,093,408,542	1,124,602,893
<b>CURRENT ASSETS</b>			
Prepayments & Other receivables	4	9,589,645	15,600,152
Advance Tax	5	11,057,276	-
Short term investments		-	400,000,000
Cash and Bank balances	6	131,591,113	89,285,814
		152,238,034	504,885,966
<b>Total Assets</b>		<b>2,245,646,576</b>	<b>1,629,488,859</b>
<b>EQUITY &amp; LIABILITIES</b>			
Authorized capital	7	<b>150,000</b>	<b>150,000</b>
Issued, subscribed & paid up capital	8	<b>119,500</b>	<b>112,300</b>
<b>RESERVES AND FUNDS</b>			
General Reserve Fund		19,627,266	19,627,265
Building Fund		55,745,440	55,745,440
Amenity Fund		51,745,440	51,745,440
Surplus upto June 30, 2019		2,426,762	2,426,762
Development Fund Special		56,745,440	56,745,440
		186,290,348	186,290,347
<b>NON-CURRENT LIABILITIES</b>			
Advances from members against cost of land	9	1,859,916,022	1,340,583,929
<b>CURRENT LIABILITIES</b>			
Accrued expenses and other liabilities	10	188,911,925	92,093,502
Provision for taxation		10,408,781	10,408,781
		199,320,706	102,502,283
Contingencies & Commitments	11	-	-
<b>Total Equity &amp; Liabilities</b>		<b>2,245,646,576</b>	<b>1,629,488,859</b>

The annexed notes from 1 to 15 form an integral parts of these financial statements

  
Chairperson

  
Secretary

  
Committee Member

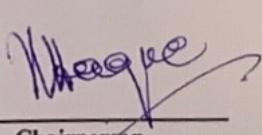
**CIVIL SERVICES CO-OPERATIVE HOUSING SOCIETY LIMITED**

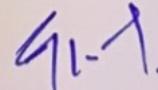
**Statement of cash flows**

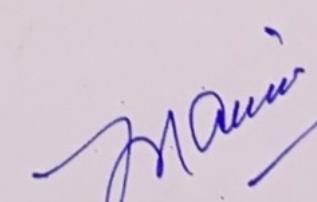
*For the year ended 30 June, 2023*

	2023 Rupees	2022 (Restated) Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Surplus before taxation		
<b>Adjustment for non-cash item</b>	357,437	365,773
Depreciation		
Operating Surplus before Working Capital Changes	357,437	365,773
<i>Decrease / (Increase) in Current Assets</i>		
Prepaid & other receivables	6,010,508	(11,209,069)
	6,010,508	(11,209,069)
<i>Increase / (Decrease) in Current Liabilities</i>		
Current liabilities	96,818,423	14,820,272
	103,186,368	3,976,976
Taxes paid	(11,057,276)	(5,266,366)
Net cash (used in) generated from operating activities	<u>92,129,092</u>	<u>(1,289,390)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Short term Investment	400,000,000	(250,000,000)
Development expenses	(968,852,886)	(334,720,284)
Advance from members against cost of land and development expenses	519,332,093	552,285,400
Fixed assets purchased	(310,200)	(321,700)
Net cash generated from (used in) Investing activities	<u>(49,830,993)</u>	<u>(32,756,584)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Issuance of shares	7,200	12,300
Net cash generated from Financing activities	<u>7,200</u>	<u>12,300</u>
Net increase / (decrease) in cash & cash equivalent	<u>42,305,299</u>	<u>(34,033,674)</u>
Cash and cash equivalents at the beginning of year	<u>89,285,814</u>	<u>123,319,485</u>
Cash and cash equivalents at the end of year	<u><u>131,591,113</u></u>	<u><u>89,285,814</u></u>

*The annexed notes from 1 to 15 form an integral parts of these financial statements*

  
Chairperson

  
Secretary

  
Committee Member

## CIVIL SERVICES CO-OPERATIVE HOUSING SOCIETY LIMITED

### Notes to the financial statements

For the year ended 30 June, 2023

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#### 1 NATURE AND STATUS OF ACTIVITIES

Civil Services Co-operative Housing Society Limited ('Society) is registered under the Societies Act, 1925 vide Registration Number K-1444 of 1991 dated 7th March 1991 with the Deputy Registrar, Cooperative Societies, Karachi. 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 the Co-operative principles.

##### 1.1 CURRENT STATUS

The Society is presently developing land for its members. Advances are received from members. The Society has not yet commercial activity. Society's members are serving and retired government civil servants.

##### 1.2 SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies which have been adopted in the preparation of these accounts are as follows:

###### 1.2.1 ACCOUNTING CONVENTION

These accounts have been prepared on the historical cost convention without any adjustments for the effects of inflation or revaluation of assets.

###### 1.2.2 FIXED CAPITAL EXPENDITURE

Fixed assets are stated at written down value which is cost less accumulated depreciation.

Depreciation is charged to income applying the reducing balance method. Full year's depreciation is charged on additions while no depreciation is charged on disposals during the year.

Maintenance and normal repairs are charged to income as and when incurred. Gains and losses on disposal of assets, if any, are included in income currently.

###### 1.2.3 INVESTMENTS

These are stated at cost.

###### 1.2.4 REVENUE RECOGNITION

Revenue is recorded on receipt basis, whereas expenses are recorded on accrual basis.

###### 1.2.5 TAXATION

The Society is in the process of development of land and has not yet started its commercial activity, therefore, provision for taxation has not been made.

**CIVIL SERVICES CO-OPERATIVE HOUSING SOCIETY LIMITED**

**Notes to the Financial Statements**

*For the year ended June 30, 2023*

**2 PROPERTY AND EQUIPMENTS**

	Furniture & Fittings	Office Equipment	Owned		Total
			Vehicles	Computer Equipment	
			Rupees		
<b>2023</b>					
<i>Cost</i>					
As at July 01	321,657	221,371	1,071,648	273,445	184,594
Additions during the year	57,500	252,700	-	-	-
Disposal during the year	-	-	-	-	-
Balance as at 30 June	<b>379,157</b>	<b>474,071</b>	<b>1,071,648</b>	<b>273,445</b>	<b>184,594</b>
<i>Accumulated Depreciation</i>					
Balance as at July 01	242,823	318,929	673,352	48,255	115,986
Charge for the year	56,874	71,111	160,747	41,017	27,689
Disposal during the year	-	-	-	-	-
Balance as at 30 June	<b>299,697</b>	<b>390,040</b>	<b>834,099</b>	<b>89,272</b>	<b>143,675</b>
Written down values	<b>322,283</b>	<b>402,960</b>	<b>910,901</b>	<b>232,428</b>	<b>156,905</b>
<b>2022</b>					
<i>Cost</i>					
As at July 01	564,480	540,300	1,745,000	-	300,580
Additions during the year	-	-	-	321,700	-
Disposal during the year	-	-	-	-	-
Balance as at 30 June	<b>564,480</b>	<b>540,300</b>	<b>1,745,000</b>	<b>321,700</b>	<b>300,580</b>
<i>Accumulated Depreciation</i>					
Balance as at July 01	186,060	279,863	484,238	-	83,411
Charge for the year	56,763	39,066	189,114	48,255	32,575
Disposal during the year	-	-	-	-	-
Balance as at 30 June	<b>242,823</b>	<b>318,929</b>	<b>673,352</b>	<b>48,255</b>	<b>115,986</b>
Written down values	<b>321,657</b>	<b>221,371</b>	<b>1,071,648</b>	<b>273,445</b>	<b>184,594</b>
Depreciation rates (%)	<b>15%</b>	<b>15%</b>	<b>15%</b>	<b>15%</b>	<b>15%</b>

**CIVIL SERVICES CO-OPERATIVE HOUSING SOCIETY LIMITED**

**Notes to the financial statements**

*For the year ended 30 June, 2023*

	2023 Rupees	2022 (Restated) Rupees
<b>3 CAPITAL WORK IN PROGRESS</b>		
Land - Cost	130,000,000	130,000,000
Development expenses: Opening	992,530,178	657,809,894
Movement during the year	1,015,418,224	359,864,986
Less : Income on investment of surplus funds for development (n)	(56,532,430)	(32,137,227)
Less : Administrative and financial expenses (note 3.2)	9,967,092	6,992,525
	1,961,383,064	992,530,178
	<b>2,091,383,064</b>	<b>1,122,530,178</b>
<b>3.1 Income on Investment of surplus funds received for development</b>		
Profit on Term deposits - National Bank of Pakistan	52,366,757	26,205,411
Profit on PLS Account - National Bank of Pakistan	4,165,673	5,750,089
Other income	-	181,727
	<b>56,532,430</b>	<b>32,137,227</b>
<b>3.2 Administrative and financial expenses</b>		
Salaries and Benefits	5,740,000	3,697,904
Printing and stationary	103,593	118,960
Postage/Courier	86,896	71,583
Web Expense	335,100	241,700
Entertainment Expenses	88,754	40,402
Office rent expenses	1,159,952	1,129,687
Legal and Professional charges	314,773	135,000
Auditors" remuneration	162,000	121,000
Office maintenance expenses	73,765	35,072
Electricity Expenses	219,777	146,002
Telephone expenses	28,278	55,928
Internet Expenses	43,806	4,749
Repair and Maintenance	23,200	19,619
Annual General meeting expenses	821,744	766,418
Conveyance Expenses	48,170	24,940
Depreciation	357,438	365,773
Advertisement	268,391	-
Janitorial Expenses	19,350	-
Miscellaneous Expenses	70,267	16,476
Bank charges	1,838	1,312
	<b>9,967,092</b>	<b>6,992,525</b>

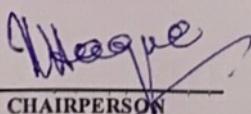
The Society is developing land for its members. Advances are received from members for development of land. Surplus funds are placed temporarily by society in saving bank accounts and term deposit accounts to reduce development cost and expenses. The Society is yet to commence its commercial business activities. Therefore, profit and loss account has not been prepared. Surplus earned on bank profits are shown by way of deductions against expenses.

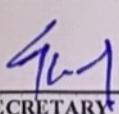
**CIVIL SERVICES CO-OPERATIVE HOUSING SOCIETY**

Notes to the financial statements

For the year ended 30 June, 2023

		#VALUE!	2022 (Restated)
		Rupees	Rupees
<b>4</b>	<b>PREPAYMENTS &amp; OTHER RECEIVABLES</b>		
Prepaid rent		519,355	432,855
Other receivables		9,070,290	15,167,297
		<u>9,589,645</u>	<u>15,600,152</u>
<b>5</b>	<b>ADVANCE TAX</b>		
Advance Tax - Profit		<u>11,057,276</u>	<u>-</u>
<b>6</b>	<b>CASH AND BANK BALANCES</b>		
Cash in Hand		122,285	47,614
Cash with Banks: National of Pakistan-PLS account		174,007	174,007
Cash with Banks: National of Pakistan-Current account		<u>131,294,821</u>	<u>89,064,193</u>
		<u>131,591,113</u>	<u>89,285,814</u>
<b>7</b>	<b>AUTHORIZED CAPITAL</b>		
1500 shares of Rs. 100 each (2022: 1000 shares of Rs. 100)		<u>150,000</u>	<u>150,000</u>
<b>8</b>	<b>ISSUED, SUBSCRIBED &amp; PAID-UP CAPITAL</b>		
1195 (2022: 1123) shares of Rs. 100 each fully paid in cash		<u>119,500</u>	<u>112,300</u>
<b>9</b>	<b>ADVANCE FROM MEMBERS AGAINST COST OF LAND</b>		
Opening Balance		1,340,583,929	788,298,529
Received during the year		572,214,199	556,209,400
Refund during the year		(52,882,106)	(3,924,000)
		<u>1,859,916,022</u>	<u>1,340,583,929</u>
<b>10</b>	<b>ACCRUED EXPENSES &amp; OTHER LIABILITIES</b>		
Accrued Expenses		430,945	628,372
Retention Money		47,423,153	13,885,127
Audit fee payable		162,000	-
Sales Tax Payable		44,398,380	30,937,620
Withholding Tax		96,497,447	46,642,383
		<u>188,911,925</u>	<u>92,093,502</u>
<b>11</b>	<b>CONTINGENCIES &amp; COMMITMENT</b>		
There were no Contingencies & Commitment as at June 30, 2023 (FY 2022: Nil)			
<b>12</b>	<b>NUMBER OF EMPLOYEES</b>		
Total number of employees at year end		<u>7</u>	<u>7</u>
Average number of employees during the year		<u>7</u>	<u>7</u>
<b>13</b>	<b>GENERAL</b>		
The corresponding figures have been rearranged and reclassified, wherever considered necessary for the purposes of comparison and better presentation. The figures have been rounded off to the nearest Rupee.			
<b>14</b>	<b>DATE OF AUTHORISATION</b>		
These financial statements were authorized for issue on <u>30-12-2023</u> in the Board of Management meeting			

  
Chairperson

  
Secretary

  
Committee Member