

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF ALFALAH COOPERATIVE HOUSING SOCIETY LIMITED REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

#### Opinion

We have audited the financial statements of **Alfalah Cooperative Housing Society Limited ("the Society")**, which comprise the statement of financial position as at June 30, 2021, and the income and expenditure account, receipt and payment account for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements gives true and fair view of the financial position of the Society as at June 30, 2021, its financial performance and its cash flows for the year then ended in accordance with the approved accounting and reporting standards as applicable in Pakistan and the requirements of the Cooperative Societies Act, 1925 and Cooperative Societies Rules, 1927.

#### Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as applicable in Pakistan and the Cooperative Societies Act, 1925. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the audit of Financial Statements* section of our report. We are independent of the Society 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 Managing Committee 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, the Cooperative Societies Act, 1925, the Cooperative Societies Rules, 1927, and for such internal control as the Managing Committee 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, the Managing Committee 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 Managing Committee either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

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

### 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, the Cooperative Societies Act, 1925 and Cooperative Societies Rules, 1927, 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 Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the 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 Society'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 Society 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, 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.

The engagement partner on the audit resulting in this independent auditor's report is Amin Ali.

Lahore  
Dated: September 26, 2022

  
**CROWE HUSSAIN CHAUDHURY & CO.**  
Chartered Accountants

September 26, 2022

Ref. No. A/20974/21

Circle Registrar (Audit)  
Cooperative Societies,  
Punjab, Lahore.

Dear Sir,

## **CERTIFICATE IN RESPECT OF MATTERS OTHER THAN THOSE REPORTED IN AUDIT REPORT**

We have been requested by the Circle Registrar (Audit), Cooperative Societies in his letter dated March 29, 2022 bearing reference number RCS/Audit/Allo-2021/492, to report on the following matters with respect to the annual audit of Alfalah Cooperative Housing Society Limited (the Society) for the year ended June 30, 2021.

### **Scope of Certificate**

Statutory auditor's certificate is required to certify certain matters regarding the financial statements of the Society for the year ended June 30, 2021. This Certificate is required to be issued in accordance with the 'Guidelines for Issuance of Certificates for Special Purposes by Practicing Chartered Accountant Firms' issued by the Institute of Chartered Accountants of Pakistan.

### **Management Responsibility**

The responsibilities for contents of financial statement and related matters as discussed below, recording and disclosing them accurately in its books of accounts, and compliance with all the codal procedures, legal and regulatory formalities remain with the Managing Committee members of the Society.

### **Statutory Auditor's Responsibility**

Our responsibility is to verify the matters in question required to be disclosed by respected Circular Registrar (Audit), Cooperative Societies Punjab, Lahore in respect of annual audit of the Society for the year ended June 30, 2021. In doing so, we performed the following procedures:

- a) Reviewed the relevant notes as contained in the audited financial statements of the year 2021 for the disclosure of the same in the statement of financial position, income and expenditure statement and statement of receipt and payment for the year then ended;
- b) Discussion with the management to develop understanding of trail of events; and
- c) Obtained management representation regarding matters in question.

## Certificate

Based on the information provided by the management during the fieldwork for the annual audit of the Society for the year ended June 30, 2021 of and our procedures applied, we hereby certify:

### 1. Examination of Overdue Debt

No provision has been made against the advance of Rs. 1,000,000 to Mr. Manzoor Ahmad, Rs. 1,529,500 to Mr. Muhammad Ishaq Chohan and Rs. 200,000 to SKP Consulting Ltd. These advances were outstanding for more than two years and their recovery is doubtful.

#### Procedures

- We sent external confirmations to confirm the balances
- Checked subsequent bank statements to evaluate possible subsequent clearance of the above balances

### 2. Verification of Cash and Bank Balances

#### • Cash in hand

Cash in hand as at June 30, 2021 is Rs. 129,620.

#### Procedure

Obtained duly signed cash certificate from the management

#### • Cash at bank

The Society has seven bank accounts as detailed below:

Bank Accounts	Amount (PKR)
Soneri Bank Limited A/C # 20008196584	102,936,126
Habib Metropolitan Bank Limited A/C # 20303-714-305855	100,000,000
Dubai Islamic Bank A/C # 0536705002	62,528,981
Bank Alfalah A/C # 0028-1003565557	40,560,687
Bank Alfalah A/C # 0157-1002854538	24,496
Askari Bank Limited A/C # 0708-3890000050	22,051
Faysal Bank Limited A/C # 0331-145900226347	15,222

#### Procedures

All of the account balances were confirmed by the bank directly to us.

### 3. Land Documents

No further land was purchased in the year 2021. Total land as at June 30, 2021 is 5,842.07 Kanals. All documents of land shown to us are in the name of the Society.

#### Procedures

- Obtained written representation from management regarding the title of land in the name of the Society
- Obtained Alif – Bay – Jeem Form from management confirming the cost and area of land
- Reviewed sample of Fards provided by the management showing the ownership of land by the Society.

### 4. Litigation Position

Detail of contingent losses are stated in Note 13 to the financial statements. List of litigation cases along with names of lawyers is attached as Annexure-J.

#### Procedure

- Obtained legal confirmation from the legal consultant of the Society
- Obtained written representation from management regarding the current status and completeness of pending litigations of the Society

### 5. Verification of approved layout plan with time frame and its implementation

The Society is in the process of approval of initial layout plan by Lahore Development Authority (LDA). Master plan has yet not been approved and no specific plots have been allotted to members.

#### Procedure

Obtained copy of application for preliminary planning permission filed by the Society in the name of the Chief Metropolitan Planner which is pending till date confirming the approval status of the Society's layout plan as not approved yet.

### 6. Verification of Fixed Assets

The society has a policy to charge depreciation on fixed assets on straight line basis. Full year's depreciation is charged in the year of purchase of fixed asset and no depreciation is charged in the year of disposal. Amount of fully depreciated assets in the fixed assets register as at June 30, 2021 amounts to Rs. 7,783,743.

## Procedures

- Obtained duly signed Fixed Assets Schedule from client confirming the value of fixed asset as at year then ended
- Recalculated the depreciation charge for the year and opening accumulated depreciation on sample basis
- Matched the details with those appearing in financial statements

## 7. Balances recoverable from Members

Members' deposits for land are recognized on cash basis. Balance recoverable from members as at June 30, 2021 amount to Rs. 84,148,300.

### Procedures

- Obtained duly signed Members' Register from management confirming the balance recoverable from members as at the year then ended
- Independent confirmations could not be obtained

## 8. Transfer Fee

The rates for transfer of plots applicable in the society are as follow:

	Rupees
4 Marla (Commercial)	24,000
5 Marla (Residential)	8,000
10 Marla (Residential)	12,000
1 Kanal (Residential)	24,000
2 Kanal (Residential)	40,000

### Procedure

- Obtained minutes of meeting of members of Managing Committee in which the rates for transfer of plots were revised confirming the above rates.

## 9. General

- Audit Committee as per the provisions of the Cooperative Societies Act, 1925, stands duly nominated. However, Managing Committee has entrusted the function of internal control to a firm of Chartered Accountants. The report of the internal auditor is regularly reviewed by the Managing Committee as per the minutes of meetings provided to us.

- As per the requirements of Cooperative Societies Act, 1925, one tenth of the net profit should be transferred to reserve funds, but no amount of the accumulated surplus has been allocated to reserve funds by the Society.
- Development work has not started in the Society.

10. **Attachments with the Report**

- i. Financial Statements are attached as **Annexure A** ✓
- ii. Audit memo is attached as **Annexure B** ✓
- iii. Registration certificate is attached as **Annexure C** ✗
- iv. List of Managing Committee members is attached as **Annexure D** ✓
- v. List of Managing Committee members' meetings during the year is attached as **Annexure E** ✓
- vi. Certificate of land owned by the Society is attached as **Annexure F** ✓
- vii. Bye-Laws of the Society are attached as **Annexure G** ✓
- viii. Certificate of cash in hand is attached as **Annexure H** ✓
- ix. List of employees is attached as **Annexure I** ✓
- x. List of pending cases is attached as **Annexure J**
- xi. List of active members of the Society is attached as **Annexure K** ✓
- xii. Form Alif – Bay – Jeem are attached as **Annexure L** ✓
- xiii. Account Statements duly verified by manager of concerned banks of the Society are attached as **Annexure M** ✓
- xiv. Item-wise Schedule of Fixed Assets is attached as **Annexure N** ✓

**Restriction on use and distribution**

This certificate is issued the Circle Registrar (Audit), Cooperative Societies for his reference and record and is not to be used or distributed for any other purpose or to be presented in any court of law. This Certificate is restricted to the facts stated herein.

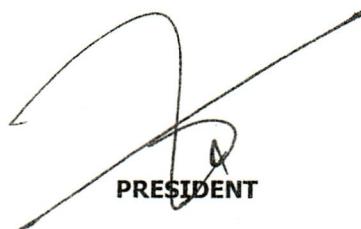
Yours truly,

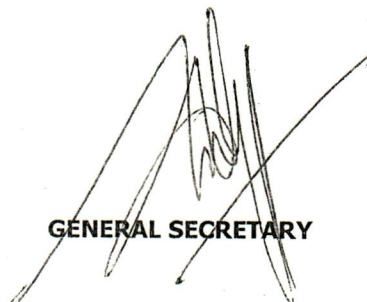
*Ravesh Chitambar*  
Ravesh Chitambar

**ALFALAH COOPERATIVE HOUSING SOCIETY LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2021**

	Note	2021 Rupees	2020 Rupees
<b>Non Current Assets</b>			
Cost of land	3	2,019,586,361	2,019,308,86
Land development charges	4	55,811,262	55,376,26
Operating fixed assets	5	535,025	521,29
Intangible assets	6	8,247	10,30
		2,075,940,895	2,075,216,72
<b>Current Assets</b>			
Advances and other receivables	7	20,449,141	20,866,16
Accrued income - bank profit		1,182,435	706,83
Cash and bank balances	8	306,217,183	307,586,31
		327,848,759	329,159,30
<b>Total Assets</b>		<u>2,403,789,654</u>	<u>2,404,376,03</u>
<b>Capital and Liabilities</b>			
<b>Share Capital and Reserves</b>			
Share capital	9	4,614,000	4,599,00
Accumulated funds	10	70,805,030	71,565,70
		75,419,030	76,164,70
<b>Non Current Liabilities</b>			
Members' deposit for land	11	2,327,556,443	2,323,861,33
<b>Current Liabilities</b>			
Trade and other payables	12	814,181	4,349,99
<b>Contingencies and Commitments</b>			
	13	-	-
<b>Total Capital and Liabilities</b>		<u>2,403,789,654</u>	<u>2,404,376,03</u>

The annexed notes from 1 to 20 form an integral part of these financial statements.

  
**PRESIDENT**

  
**GENERAL SECRETARY**

  
**FINANCE SECRETARY**



**ALFALAH COOPERATIVE HOUSING SOCIETY LIMITED**  
**INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	Note	2021 Rupees	2020 Rupees
<b>Income</b>			
Admission fee		909,000	603,000
Transfer fee	14	2,666,000	1,208,000
Other receipts		1,429,097	52,100
Bank profit	15	19,478,097	34,977,646
		24,482,194	36,840,746
<b>Expenditure</b>			
Salaries and allowances	16	18,076,034	18,446,725
Administrative expenses	17	7,068,827	8,728,568
Financial charges - bank charges		22,949	5,937
		<u>(25,167,810)</u>	<u>(27,181,230)</u>
<b>(Deficit) / Surplus before Taxation</b>		(685,616)	9,659,516
Taxation		(75,061)	(3,352,730)
<b>Net (Deficit) / Surplus for the Year</b>		<u><u>(760,677)</u></u>	<u><u>6,306,786</u></u>

The annexed notes from 1 to 20 form an integral part of these financial statements.

  
**PRESIDENT**

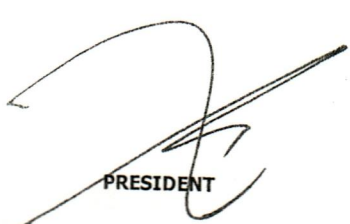
  
**GENERAL SECRETARY**

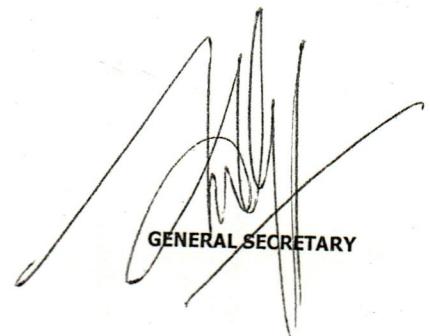
  
**FINANCE SECRETARY**

**ALFALAH COOPERATIVE HOUSING SOCIETY LIMITED**  
**RECEIPT AND PAYMENT ACCOUNT**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	2021	2020		2021	2020
	Rupees	Rupees		Rupees	Rupees
<b>Receipts</b>			<b>Payments</b>		
<b>Opening Balances</b>			<b>Capital Payments</b>		
Cash in hand	102,022	8,766	Payment against purchase of assets	226,105	180,100
Cash in banks	307,484,293	305,208,324	Payment against land development charges	435,000	5,992,900
	307,586,315	305,217,090	Payment against purchase of land	277,500	1,222,000
				938,605	7,395,000
<b>Capital Receipts</b>			<b>Revenue Payments</b>		
Deposit from members	3,695,110	2,212,000	Salaries, allowances and benefits	18,076,034	18,446,725
Share money	15,000	50,000	Uniforms	74,700	76,560
	3,710,110	2,262,000	Legal and professional	998,000	1,889,055
			Office rent	1,800,000	2,570,000
<b>Revenue Receipts</b>			Fees, cess and taxes	1,750	564,417
Income from admission fee	909,000	603,000	Vehicle running and maintenance	561,257	551,131
Transfer fee	2,666,000	1,208,000	Postage and telephone	155,752	149,564
Other receipts	1,429,097	52,100	Utilities	563,158	515,146
Bank profit	19,002,494	34,977,646	Printing and stationery	233,677	144,813
Advances and other receivables	417,021	1,216,650	Advertisement	25,000	338,135
Accrued income - bank profit	-	1,400,727	Entertainment	363,252	317,311
Trade and other payables	-	435,329	Repairs and maintenance	402,249	278,740
	24,423,612	39,893,452	Arms and ammunitions	45,500	5,700
			Auditor's remuneration	275,000	115,000
			Generator running and maintenance	64,500	80,670
			Software and web maintenance charges	184,037	218,250
			Newspapers and periodicals	8,540	7,690
			Travelling and conveyance	575,480	176,848
			Miscellaneous expenses	-	22,500
			Site expenses	522,538	449,494
			Taxation	75,061	5,467,541
			Bank charges	22,949	5,937
			Trade and other payables	3,535,815	-
			<b>Closing Balances</b>	28,564,249	32,391,227
			Cash in hand	129,620	102,022
			Cash at banks	306,087,563	307,484,293
				306,217,183	307,586,315
				<u>335,720,037</u>	<u>347,372,542</u>
	<u>335,720,037</u>	<u>347,372,542</u>			

The annexed notes from 1 to 20 form an integral part of these financial statements.

  
PRESIDENT

  
GENERAL SECRETARY

  
FINANCE SECRETARY

**ALFALAH COOPERATIVE HOUSING SOCIETY LIMITED**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

Note 1

**Status and Operations**


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The Alfalah Cooperative Housing Society Limited (the Society) was registered with the Registrar Cooperative Societies Punjab, Lahore on December 6, 2004 vide registration no. 1389, under the provision of the Cooperative Societies Act, 1925. The main objective of the society is to purchase land, develop it for onward allotment of residential and commercial plots to members as approved by the Managing Committee of the Society.

The registered office of the Society is situated at 100-A, Gulberg-3, Lahore. The Society is situated at Mauza Hayr and Moza Tatley, Lahore Cantt, Bedian Road, Lahore.

Note 2

**Basis of Preparation****2.1 Statement of compliance**

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards for Small and Medium-sized Entities (IFRS for SMEs); and
- Provisions of and directives issued under the Cooperative Societies Act, 1925 and Cooperative Societies Rules, 1927.

In case requirements differ, the provisions of and directives issued under the Cooperative Societies Act, 1925 and Cooperative Societies Rules, 1927 shall prevail.

**2.2 Significant accounting policies**

These financial statements have been prepared under the historical cost convention.

**2.2.1 Fixed assets**

These are stated at cost less accumulated depreciation. Depreciation is calculated using the straight line method except for the sign boards on which depreciation is charged using the reducing balance method. Depreciation is charged on additions during the year. No depreciation charged in the year of disposal.

**2.2.2 Cost of land**

Cost of land includes purchase price and other costs in bringing the land to its present condition. Cost of land comprises the purchase price, other taxes, registry charges, legal charges (stamp papers), registry commission, costs directly attributable to acquisition and other similar costs in determining the cost of land.

**2.2.3 Members' deposit for land**

Members' deposit for land is recognized on cash basis.

Note 2, Significant accounting policies - Contd...

**2.2.4 Cash and cash equivalents**

Cash and cash equivalents are carried at cost. For the purpose of statement of cash flows, cash and cash equivalents comprise cash in hand and cash at banks in current and savings accounts.

**2.2.5 Trade and other payables**

Liabilities for trade and other amounts payable are carried at cost which is the fair value of the consideration to be paid or given in future for goods and services received or to be delivered or for any other amount, whether or not billed to the Society.

**2.2.6 Revenue recognition**

- Fees for admission of member into the Society are recognized when received.
- Fees for transfer of ownership of property in the name of member of the Society are recognized when received.
- Profit on bank deposits is recognized on an accrual basis.
- Miscellaneous / other income is recognized when received.

**2.2.7 Taxation**

Provision for current taxation is based on taxable income for the year determined in accordance with the prevailing law for taxation of income and is calculated using prevailing tax rates or tax rates expected to apply to the profit for the year, if enacted. The charge for current tax also includes adjustments where considered necessary, to provision for tax made in previous years arising from assessments finalized during the current year for such years. Income tax expense is recognized in the income and expenditure account.

Note 3

**Cost of Land**

	<b>2021</b>	<b>2020</b>
	Rupees	Rupees
Opening balance		
Purchased / transferred during the year	2,019,308,861	2,018,086,861
Closing balance	277,500	1,222,000
	<u>2,019,586,361</u>	<u>2,019,308,861</u>

**3.1** The Society has not acquired any land during the year. The amount of Rs. 277,500 was paid for registry of land.

**3.2** Total land as at the June 30, 2021 is 5,842.07 Kanals (2020: 5,842.07 Kanals).

Note 4

**Land Development Charges**

	<b>2021</b>	<b>2020</b>
	Rupees	Rupees
Opening balance		
Additions during the year	55,376,262	49,383,362
Closing balance	435,000	5,992,900
	<u>55,811,262</u>	<u>55,376,262</u>

**ALFAH COOPERATIVE HOUSING SOCIETY LIMITED**  
*Notes to and forming part of the financial statements*

Notes 5  
**Operating Fixed Assets - Written Down Value**

Particulars	Cost			Rate %	Depreciation			As at June 30, 2021
	As at July 01, 2020	Additions	As at June 30, 2021		As at July 01, 2020	Charge for the year	As at June 30, 2021	
	Rupees	Rupees	Rupees		Rupees	Rupees	Rupees	Rupees
Vehicles	3,365,842	-	3,365,842	15	3,236,867	35,174	3,272,041	93,801
Furniture and fixture	1,477,800	-	1,477,800	15	1,415,403	16,800	1,432,203	45,597
Office equipment	1,083,169	15,000	1,098,169	15	937,410	31,440	968,850	129,319
Computers	1,326,360	211,105	1,537,465	30	1,290,367	99,327	1,389,694	147,771
Sign board	231,518	-	231,518	20	83,347	29,634	112,981	118,537
<b>Total Rupees 2021</b>	<b>7,484,689</b>	<b>226,105</b>	<b>7,710,794</b>		<b>6,963,394</b>	<b>212,375</b>	<b>7,175,769</b>	<b>535,025</b>
<b>Total Rupees 2020</b>	<b>7,304,589</b>	<b>180,100</b>	<b>7,484,689</b>		<b>6,810,389</b>	<b>153,005</b>	<b>6,963,394</b>	<b>521,295</b>

5.1 There have been no disposals and / or any other associated adjustments during the year (2020: NIL).

Note 6

**Intangible Assets**

	<b>2021</b>	<b>2020</b>
	Rupees	Rupees
<b>Net Carrying Value</b>		
Net carrying value - opening balance	10,309	12,886
Additions during the year	-	-
	<u>10,309</u>	<u>12,886</u>
Amortization during the year	(2,062)	(2,577)
Net carrying value as at June 30, 2021	<u>8,247</u>	<u>10,309</u>
<b>Gross Carrying Value</b>		
Cost	150,000	150,000
Accumulated amortization	141,753	139,691
Net book value	<u>8,247</u>	<u>10,309</u>
Amortization rate	<u>20%</u>	<u>20%</u>

**6.1** Intangible assets represent the cost of accounting software.

**6.2** Amortization charge for the year has been allocated to administrative expenses (Note 17).

Note 7

**Advances and Other Receivables**

		<b>2021</b>	<b>2020</b>
	Note	Rupees	Rupees
Purchase of land		7,400,321	7,400,321
Staff against salary		36,000	10,000
Staff against imprest		25,000	25,000
Security deposit		672,000	672,000
Other advances		1,357,398	1,365,848
Advance tax	7.1	10,958,422	11,392,993
		<u>20,449,141</u>	<u>20,866,162</u>
<b>7.1 Advance tax</b>			
Bank profits		9,294,829	9,797,009
Cash withdrawal		71,699	71,699
Utilities		277,560	209,951
Motor vehicles		74,173	74,173
Immovable property		1,240,161	1,240,161
		<u>10,958,422</u>	<u>11,392,993</u>

Note 8

**Cash and Bank Balances**

	<b>2021</b>	<b>2020</b>
	Rupees	Rupees
Cash in hand	129,620	102,022
Cash at banks in savings accounts	306,087,563	307,484,293
	<u>306,217,183</u>	<u>307,586,315</u>

Note 9

**Share Capital**

	<b>2021</b>	<b>2020</b>
	Rupees	Rupees
<b>Movement during the year is as under:</b>		
Opening balance	4,599,000	4,549,000
Received during the year	15,000	50,000
Refunded / adjusted during the year	-	-
Closing balance	<u>4,614,000</u>	<u>4,599,000</u>

**9.1** Every member will have to purchase at least one full share amounting to Rs. 1,000 which will be paid lump sum at the time of admission.

**9.2** Member desiring to have residential plots will have to purchase share(s) at following rates:

<u>Size of plot</u>	<u>Shares to be purchased</u>
Upto 15 marla	One share
16 to 30 marla	Two shares
31 to 60 marla	Four shares
More than 60 marla	Five shares

(These measures will be as per local revenue scale)

**9.3** Members desirous to have commercial plots will have to purchase shares at the following rates:

<u>Size of plot</u>	<u>Shares to be purchased</u>
Upto 3 marlas	Five shares
3 to 5 marlas	Seven shares
More than 5 marlas	Ten shares

Note 10

**Accumulated Funds**

	<b>2021</b>	<b>2020</b>
	Rupees	Rupees
Opening balance	71,565,707	65,258,921
Surplus / deficit for the year	<u>(760,677)</u>	<u>6,306,786</u>
	<u>70,805,030</u>	<u>71,565,707</u>

Note 11

**Members' Deposit for Land**

	<b>2021</b>	<b>2020</b>
	Rupees	Rupees
Opening balance	2,323,861,333	2,321,649,333
Members' deposit against cost of land	<u>4,661,250</u>	<u>2,212,000</u>
	2,328,522,583	2,323,861,333
Less: Adjustment during the year	<u>(966,140)</u>	-
Closing balance	<u>2,327,556,443</u>	<u>2,323,861,333</u>

**11.1** There are 2,058 (2020: 2,030) active members as at the reporting date. During the year, 101 (2020: 67) members were added and 73 (2020: 46) members left. Installment due from members as at June 30, 2021 amounts to Rs. 84,148,300 (2020: Rs. 88,080,550).

Note 12

**Trade and Other Payables**

	Note	2021 Rupees	2020 Rupees
Accrued expenses	12.1	15,951	461,303
Other payables	12.2	723,169	535,963
Provision for taxation		75,061	3,352,730
		<u>814,181</u>	<u>4,349,996</u>
<b>12.1 Accrued expenses</b>			
Sui gas bill		-	370
Electric bill		5,061	19,252
Telephone bill		10,450	10,080
WASA bill		440	450
Accrued rent		-	150,000
Commercialization fee		-	281,151
		<u>15,951</u>	<u>461,303</u>
<b>12.2 Other payable</b>			
Pakistan State Oil		42,243	14,354
Audit fee		466,962	306,962
TCS		-	683
Retention money - M.A. Construction		92,464	92,464
Retention money - NESPAK		121,500	121,500
		<u>723,169</u>	<u>535,963</u>

Note 13

**Contingencies and Commitments**

**Contingencies**

**13.1 ACHS Vs. Global Infrastructure (Private) Limited**

During 2007, ACHS issued a general power of attorney in favor of Global Infrastructure (Private) Limited concerning 25-acre land. The objective was to get 25-acre Society land exchanged with unacquired pockets within the proposed housing scheme through Global Infrastructure (Private) Limited as per their promise. M/s Global Infrastructure (Private) Limited misused this general power of attorney and transferred 25-acre land through a sale deed. Neither title nor possession of this 25-acre land is with the Society. The Society has filed a civil suit for cancellation of the sale deed etc. on 17-5-2014. Contingent loss relating to 25-acre of land amounts to Rs. 69,154,791.

**13.2 ACHS Vs. Mst. Nazia Tajammal Farooq**

Initially the Society purchased land in the name of Managing Committee members so that the public might not know that a society was purchasing land for its housing scheme. This was in order to avoid false escalation in the price. About 15 kanal land was purchased through a sale deed in the name of Mr. Tajammal Farooq, the then General Secretary of the Society. Before this land could be mutated in the name of Mr. Tajammal Farooq, a third party went to civil court claiming they made an agreement for the purchase of land with the land owner prior to this transaction and thus they had a priority right. The case is still pending in the court. Meanwhile, Mr. Tajammal Farooq passed away and his family refused to acknowledge any right of the Society on the above-mentioned land. Thus the Society filed this case against legal heirs of Mr. Tajammal Farooq and got a stay order so that the legal heirs of Mr. Tajammal Farooq might not make a compromise with the litigants in the other suit against them. Neither the title of the land nor the possession is with the Society. Contingent loss relating to 15 kanal of land amounts to Rs. 4,000,000.



Note 13, Contingencies and commitments - Contd...

**13.3** ACHS Vs. Muhammad Ashraf etc.  
(Suit for the possession along-with Permanent Injunction.)

The Society purchased 12-Kanal land in AbaadiDeh of village Tatley. This land has been encroached upon by Muhammad Ashraf etc. and the Society has filed a civil suit against them for ejection. As the land falls in residential area (Lal Lakeer) therefore, ownership of this land is not recorded in the revenue record. Case is fixed in the court of Mr. Muhammad Ahmad Khan, Civil Judge for awaiting order of superior court and next date of hearing is October 07, 2022.)

**Commitments**

There are no commitments outstanding as on reporting date (2020: Nil).

Note 14

**Transfer Fee**

	<b>2021</b>	<b>2020</b>
	Rupees	Rupees
Transfer fee	<u>2,666,000</u>	<u>1,208,000</u>

**14.1** This fee is collected at the time of transfer of ownership of plot from the buyer of plot. As per the minutes of meeting of Members of Managing Committee, the transfer fee is decided in the following manner:

<b>Size of Plot</b>	<b>Fee Per Plot</b>
4 Marla (Commercial)	24,000
5 Marla (Residential)	8,000
10 Marla (Residential)	12,000
1 Kanal (Residential)	24,000
2 Kanal (Residential)	40,000

Note 15

**Bank Profit**

	<b>2021</b>	<b>2020</b>
	Rupees	Rupees
Bank Al Falah Limited	4,635,367	9,820,583
Askari Islamic Bank Limited	560	51,689
Faysal Bank Limited	817	19,100
Dubai Islamic Bank Pakistan Limited	4,298,454	13,359,509
Habib Metropolitan Bank Limited	6,535,890	11,726,765
Soneri Bank Limited	4,007,009	-
	<u>19,478,097</u>	<u>34,977,646</u>

Note 16

**Salaries and Allowances**

	<b>2021</b>	<b>2020</b>
	Rupees	Rupees
Staff salaries:		
- Staff salaries	17,933,572	18,388,250
- Staff welfare	142,462	58,475
	<u>18,076,034</u>	<u>18,446,725</u>

## Note 17

**Administrative Expenses**

	<b>2021</b>	<b>2020</b>
	Rupees	Rupees
Uniforms	74,700	76,560
Legal and professional	998,000	1,889,055
Office rent	1,800,000	2,570,000
Fees, cess and taxes	1,750	564,417
Vehicle running and maintenance	561,257	551,131
Postage and telephone	155,752	149,564
Utilities	563,158	515,146
Printing and stationery	233,677	144,813
Advertisement	25,000	338,135
Entertainment	363,252	317,311
Repairs and maintenance	402,249	278,740
Arms and ammunitions	45,500	5,700
Auditor's remuneration	275,000	216,962
Generator running and maintenance	64,500	80,670
Software and web maintenance charges	184,037	218,250
Newspapers and periodicals	8,540	7,690
Travelling and conveyance	575,480	176,848
Miscellaneous expenses	-	22,500
Site expenses	522,538	449,494
Depreciation	212,375	153,005
Amortization	2,062	2,577
	<u>7,068,827</u>	<u>8,728,568</u>

## Note 18

**Number of Employees**

	<b>2021</b>	<b>2020</b>
	Number	Number
Number of employees as at June 30	<u>37</u>	<u>40</u>
Average number of employees during the year	<u>39</u>	<u>40</u>

## Note 19

**Date of Authorization for Issue**

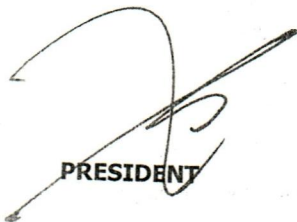
These financial statements have been authorized for issue by the Managing Committee of the Society on

26 SEP 2024

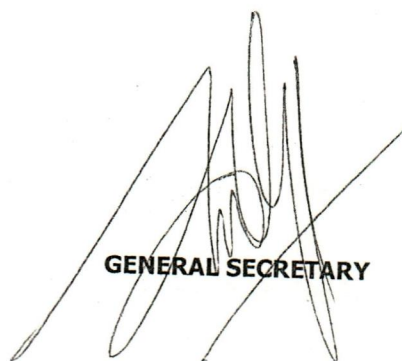
Note 20  
**General**

Corresponding figures have been re-arranged / reclassified wherever necessary to reflect more appropriate presentation of events and transactions for the purpose of comparison and better presentation.

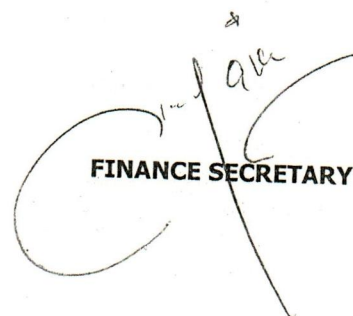
<b>Nature</b>	<b>From</b>	<b>To</b>	<b>Amount Rupees</b>
Software	Operating fixed assets (Note 5)	Intangible Assets (Note 6)	10,309
Amortization of software	Depreciation (Note 17)	Amortization (Note 17)	2,577



**PRESIDENT**



**GENERAL SECRETARY**



**FINANCE SECRETARY**