



SANDHU & CO.

Chartered Accountants

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Ref. : _____

Date: **30 NOV 2018**

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

We have audited the financial statements of **ALL MEMON WELFARE CO-OPERATIVE HOUSING SOCIETY LIMITED** (the "Society"), which comprise the statement of financial position as at June 30th 2018, the income and expenditure statement for the year then ended, and notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects the financial position of All Memon Welfare Co-operative Housing Society Limited as at June 30th, 2018 and its financial performance for the year then ended in accordance with approved accounting and reporting standards as applicable in Pakistan.

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 Society in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Society 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.

The Society's 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 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 to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Society financial reporting process.

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 controls.





- 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 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 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 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.

Date: 30 NOV 2018
Karachi.



Sandhu & Co.

Sandhu & Co.,

Chartered Accountants

Mohammad Hussain Lakhani

ALL MEMON WELFARE COOPERATIVE HOUSING SOCIETY LTD
STATEMENT OF FINANCIAL POSITION
AS ON JUNE 30, 2018

	Note	2018 -----Rupees-----	2017 -----Rupees-----
CAPITAL AND RESERVES			
Authorized Capital			
24,000 (2017: 24,000) ordinary shares of Rs.25/- each.		<u>600,000</u>	<u>600,000</u>
Issued Subscribed & Paid up Capital			
3,294 (2017: 3,246) ordinary shares of Rs.25/- each fully paid in cash		82,350	81,550
Development reserve	3	7,500,000	7,500,000
Income and expenditure statement	4	7,692,525	7,971,626
		<u>15,274,875</u>	<u>15,553,176</u>
Non current liabilities			
Received against commercial plots		20,785,000	20,785,000
Development charges		13,801,280	13,801,280
		<u>34,586,280</u>	<u>34,586,280</u>
Current liabilities			
Out standing liabilities	5	3,285,917	4,859,694
Contingencies and commitments	6	-	-
		<u>53,147,072</u>	<u>54,999,150</u>

ASSETS

Non current assets

Note	2018 -----Rupees-----	2017 -----Rupees-----
7	5,808,704	6,136,426
8	24,140,000	26,640,000
9	4,982,092	4,982,092
	<u>34,930,796</u>	<u>37,758,518</u>

Current Assets

Note	2018 -----Rupees-----	2017 -----Rupees-----
10	16,661,925	16,451,226
11	1,554,351	789,406
	<u>18,216,276</u>	<u>17,240,632</u>

<u>53,147,072</u>	<u>54,999,150</u>
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The annexed notes form 1 to 14 form an integral part of these financial statements.

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PRESIDENT

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HONORARY GENERAL SECRETARY


Hon. Gen. Secy

ALL MEMON WELFARE COOPERATIVE HOUSING SOCIETY LTD
INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED JUNE 30, 2018

	Note	2018 -----Rupees-----	2017
Income			
Transfer fee		855,630	435,791
Profit (TDR)		832,363	142,283
Other Income		251,700	260,030
Donation		911,000	673,670
		<u>2,850,693</u>	<u>1,511,774</u>
Expenditure			
Staff salaries		1,237,979	1,130,568
Conveyance		10,115	13,908
Entertainment		16,890	23,446
Printing and stationary		16,890	23,446
Legal fee and		56,308	58,562
Postage expenses		50,000	13,000
New paper		3,110	1,580
Telephone		10,765	8,714
Electric expenses		19,981	22,785
A.G.M. meeting		3,307	92,362
Deprecation		52,500	46,000
Misc expenses		345,521	369,364
Auditor remuneration		6,400	1,440
Donation & staff welfare	12	62,400	261,600
Security service A/c		-	235,200
Repair & maintenance (Office)		238,070	493,340
Repair & maintenance site (Garden)		20,795	36,610
Repair & maintenance site (Water & sewerage)		-	128,000
Repair & maintenance site (Boundary wall)		-	546,478
Repair & maintenance site (Road)		2,793	3,411
Bank charge		-	3,700
Computer accessories		155,491	362,616
With holding tax		18,200	77,738
Advertisement		5,604	3,010
Gas charges		16,025	-
Tender documents expense		-	-
		<u>3,129,794</u>	<u>3,930,432</u>
(Deficit) for the year		(279,101)	(2,418,654)

The annexed notes form 1 to 14 form an integral part of these financial statements.


PRESIDENT
 President


HONORARY GENERAL SECRETARY
 Hon. Gen. Secy.