



GREEN CRESCENT TRUST

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

Ford Rhodes Sidat Hyder & Co.
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AUDITORS' REPORT TO THE BOARD OF TRUSTEES

We have audited the annexed the receipt and disbursement account / receipt and expenditure account of the **Green Crescent Trust** as at 30 June 2008 together with the notes forming part thereof (here-in-after referred to as the statement for the year then ended).

It is the responsibility of the Trustees to establish and maintain a system of internal control, and prepare and present the statement in conformity with the cash receipt and expenditure incurred basis as described in note 2.1 to the financial statements. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the statements. An audit also includes assessing the accounting policies used and significant estimates made by management, as well as evaluating the overall presentation of the statements. We believe that our audit provides a reasonable basis for our opinion.

As described in note 2.1, the statement have been prepared on the cash receipt and expenditure basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion the statement presents fairly, in all material respects, the cash receipt and expenditure, etc. of the **Green Crescent Trust** for the year ended 30 June 2008 on the basis of accounting described in note 2.1 to the statement.

Karachi

29 January 2009

Ford Rhodes Sidat Hyder & Co.

Chartered Accountants

GREEN CRESCENT TRUST**BALANCE SHEET
AS AT JUNE 30, 2008**

	Note	June 30, 2008 Rupees	June 30, 2007 Rupees
<u>ASSETS</u>			
NON-CURRENT ASSETS			
Property, plant and equipment	3	16,059,200	3,360,661
Long term deposits	4	555,500	452,500
		<u>16,614,700</u>	<u>3,813,161</u>
CURRENT ASSETS			
Inventory	5	197,413	178,736
Loans, advances, prepayment and other receivables	6	1,908,571	459,220
Bank balances	7	839,440	964,596
		<u>2,945,424</u>	<u>1,602,552</u>
TOTAL ASSETS		<u>19,560,124</u>	<u>5,415,713</u>
LESS: CURRENT LIABILITIES			
	8	850,000	1,804,642
		<u>18,710,124</u>	<u>3,611,071</u>
REPRESENTED BY:			
NON-CURRENT LIABILITIES			
Security deposit		-	36,000
FUNDS			
General Fund	9	18,710,124	3,269,071
Specific Fund	10	-	306,000
		<u>18,710,124</u>	<u>3,575,071</u>
COMMITMENT			
	11	<u>18,710,124</u>	<u>3,611,071</u>

The annexed notes 1 to 18 form an integral part of these financial statements.

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GREEN CRESCENT TRUST


INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED JUNE 30, 2008

	Note	June 30, 2008 Rupees	June 30, 2007 Rupees
INCOME			
Donations		8,223,764	6,599,124
Zakat Fund		5,381,050	4,343,775
Specific Fund		306,000	-
Schools fees			
Received from students		8,760,399	7,871,766
Training income - Centre for Educational Research and Development		138,260	164,926
Sale of books		91,075	95,991
Rental income		108,000	79,000
Greeting cards		-	1,000
Profit on bank deposits		56,544	28,600
Accrued liabilities written back		885,462	-
Net gain on sale of fixed assets	12	10,870,406	-
		<u>34,820,960</u>	<u>19,184,182</u>
EXPENDITURE			
Head Office expenses - Secretariat	13	1,654,504	1,783,255
Center for Educational Research and Development expenses	14	117,973	62,250
Schools expenses	15	17,140,243	15,697,559
Printing charges of books		125,192	67,223
Donation		-	16,463
Advertisement and publicity		15,000	-
Professional expenses		27,332	50,850
Bad debts written off		-	187
Provision against advances considered doubtful		-	50,915
Depreciation		299,663	334,826
		<u>19,379,907</u>	<u>18,063,528</u>
EXCESS OF INCOME OVER EXPENDITURE TRANSFERRED TO GENERAL FUND		<u>15,441,053</u>	<u>1,120,654</u>

The annexed notes 1 to 18 form an integral part of these financial statements.

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GREEN CRESCENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2008

1. THE FUND AND ITS ACTIVITIES

The Green Crescent Trust (the Trust) was registered in November 1990 with the objective of providing educational, social and medical facilities to the needy persons. The main activities of the Trust are to set up, manage, maintain, administer and run Schools in various localities. The Trust is also operating a Centre for Educational Research and Development (CERD).

These financial statements include the transactions relating to the aforesaid Schools and CERD.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The statement is prepared on the cash receipt and expenditure basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

2.2 Operating fixed assets

Fixed assets are stated at cost less accumulated depreciation. Depreciation is charged to income applying the diminishing balance method. Full year's depreciation is charged on additions in the year of purchase, while no depreciation is charged on deletions in the year of disposal.

Gain or loss on sale or retirement of fixed assets is included in current year's income.

Repairs and maintenance are charged to income as and when incurred. Major renewals and improvements are capitalized and the assets so replaced, if any, are retired.

The carrying values of fixed assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The asset's residual value, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year end.

2.3 Inventories

The inventories are valued using the weighted average method.

2.4 Revenue recognition

Donations are recorded as and when received. Donations in kind are recorded at estimated value, determined by an independent valuer on the basis of prevailing market prices.

Rental income, school fee and income from sale of books and profit on bank deposits are accounted for on receipt basis.

3. PROPERTY, PLANT AND EQUIPMENT

	Note	June 30, 2008	June 30, 2007
		-----Rupees-----	
Operating fixed assets	3.1	2,604,200	3,360,661
Capital work-in-progress	3.2	13,455,000	-
		<u>16,059,200</u>	<u>3,360,661</u>

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3.1 Operating fixed assets

		COST					ACCUMULATED DEPRECIATION				NET BOOK VALUE
Note	As at July 01, 2007	Additions	Disposals	As at June 30, 2008	Rate	As at July 01, 2007	Depreciation for the year	On disposals	As at June 30, 2008	As at June 30, 2008	
	-----Rupees-----				%	-----Rupees-----					
June 30, 2008											
Buildings:											
Head Office	2,800,000	-	(2,800,000)	-	5	1,362,642	-	(1,362,642)	-	-	
School	-	675,000	-	675,000	5	-	33,750	-	33,750	641,250	
Furniture and fixtures	2,396,516	90,800	(5,950)	2,481,366	10	1,164,717	131,909	(2,439)	1,294,187	1,187,179	
Office equipment	3.1.1 876,184	215,060	(128,000)	963,244	10	429,907	60,624	(72,900)	417,631	545,613	
Computers	341,210	62,800	-	404,010	30	277,280	38,019	-	315,299	88,711	
Vehicles	542,200	-	(48,700)	493,500	20	395,138	28,207	(42,675)	380,670	112,830	
Library books	125,608	1,536	-	127,144	20	91,373	7,154	-	98,527	28,617	
	7,081,718	1,045,196	(2,982,650)	5,144,264		3,721,057	299,663	(1,480,656)	2,540,064	2,604,200	

3.1.1 Included herein is a sum of Rs.119,950, received as donations in kind.

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	COST			Rate	ACCUMULATED DEPRECIATION			NET BOOK VALUE
	As at July 01, 2006	Additions	As at June 30, 2007		As at July 01, 2006	Depreciation for the Year	As at June 30, 2007	As at June 30, 2007
	-----Rupees-----			%	-----Rupees-----			
June 30, 2007								
Building – Head Office	2,800,000	-	2,800,000	5	1,286,992	75,650	1,362,642	1,437,358
Furniture and fixtures	2,252,103	144,413	2,396,516	10	1,027,851	136,866	1,164,717	1,231,799
Office equipment	790,812	85,372	876,184	10	380,321	49,586	429,907	446,277
Computers	326,660	14,550	341,210	30	249,881	27,399	277,280	63,930
Vehicles	542,200	-	542,200	20	358,372	36,766	395,138	147,062
Library books	124,548	1,060	125,608	20	82,814	8,559	91,373	34,235
	6,836,323	245,395	7,081,718		3,386,231	334,826	3,721,057	3,360,661

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	June 30, 2008 Rupees	Addition Rupees	June 30, 2007 Rupees
3.2 Capital work-in-progress			
Advances given in respect of the purchase of Head Office building, including a sum of Rs.450,000 given to an employee for the payment of related taxes	<u>13,455,000</u>	<u>13,455,000</u>	<u>-</u>
	Note	June 30, 2008 Rupees	June 30, 2007 Rupees
4. LONG TERM DEPOSITS			
Security deposits		<u>555,500</u>	<u>452,500</u>
5. INVENTORY			
Books		<u>197,413</u>	<u>178,736</u>
6. LOANS, ADVANCES, PREPAYMENT AND OTHER RECEIVABLES			
Loans - unsecured			
Employees	6.1	<u>56,004</u>	<u>90,765</u>
Provision against loan considered doubtful	6.2	<u>-</u>	<u>(50,915)</u>
		<u>56,004</u>	<u>39,850</u>
Advances - unsecured			
Employees		<u>491,519</u>	<u>112,032</u>
Suppliers		<u>97,000</u>	<u>42,064</u>
		<u>588,519</u>	<u>193,946</u>
Prepayment - unsecured			
Rent		<u>1,116,500</u>	<u>154,000</u>
Other receivables			
Tax deducted at source		<u>147,548</u>	<u>107,539</u>
Pakistan Institute of Human Development		<u>-</u>	<u>3,735</u>
		<u>147,548</u>	<u>111,274</u>
		<u>1,908,571</u>	<u>459,220</u>
6.1 These are interest free personal loans given to the employees of the Trust.			
6.2 Provision against loan considered doubtful			
Opening balance		<u>50,915</u>	<u>-</u>
Provision made during the year		<u>-</u>	<u>50,915</u>
Provision written off during the year		<u>(50,915)</u>	<u>-</u>
		<u>-</u>	<u>50,915</u>
7. BANK BALANCES			
With banks in:			
Current accounts		<u>149,556</u>	<u>92,125</u>
Savings accounts	7.1	<u>689,884</u>	<u>872,471</u>
		<u>839,440</u>	<u>964,596</u>
7.1 These carry profit at rates ranging between 4% and 5% per annum.			
8. CURRENT LIABILITIES			
Short term loan	8.1	<u>850,000</u>	<u>850,000</u>
Accrued liabilities		<u>-</u>	<u>954,642</u>
		<u>850,000</u>	<u>1,804,642</u>
8.1 This represents interest free loan obtained by the Trust from a Trustee. The said loan is unsecured and repayable on demand.			

Note	June 30, 2008 Rupees	June 30, 2007 Rupees
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9. GENERAL FUND

Opening balance	3,269,071	2,148,417
Excess of income over expenditure	15,441,053	1,120,654
	<u>18,710,124</u>	<u>3,269,071</u>

10. SPECIFIC FUND

Opening balance	306,000	306,000
Transfer to income	10.1 (306,000)	-
	<u>-</u>	<u>306,000</u>

10.1 This represents funds received in prior years in respect of an investment project which could not materialize and hence the same has been transferred to income during the current year.

11. COMMITMENT

Commitment in respect of the Head Office building as at June 30, 2008, amounted to Rs.8.00 million (2007: Rs.Nil).

12. NET GAIN ON SALE OF FIXED ASSETS

12.1	<u>10,870,406</u>	<u>-</u>
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12.1 This represents gain / (loss) arisen on the sale of the following fixed assets

Building – Head Office	10,862,642	-
Furniture and fixtures	(3,511)	-
Office equipment	(29,900)	-
Vehicles	41,175	-
	<u>10,870,406</u>	<u>-</u>

13. HEAD OFFICE EXPENSES - SECRETARIAT

Salaries and allowances	1,199,299	1,009,777
Utilities	59,236	70,835
Printing and stationery	14,290	13,992
Office supplies	30,870	10,325
Vehicle running and maintenance	126,856	54,608
Communication expenses	85,566	61,324
Postage and telegram	4,821	936
Bank charges	9,589	10,394
Training expenses	-	53,238
Repairs and maintenance	86,989	465,882
Entertainment	31,017	29,267
Others	5,971	2,677
	<u>1,654,504</u>	<u>1,783,255</u>

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14. CENTRE FOR EDUCATIONAL RESEARCH AND DEVELOPMENT EXPENSES

June 30, 2008 Rupees	June 30, 2007 Rupees
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Printing and stationery	12,501	-
Repairs and maintenance	16,986	-
Training and consultancy	3,735	62,250
Function and seminars	9,434	-
Traveling and conveyance	15,041	-
Office supplies	6,780	-
Postage and telegram	7,712	-
Communication expense	20,063	-
Entertainment	15,341	-
Utilities	2,240	-
Others	8,140	-
	<u>117,973</u>	<u>62,250</u>

15. SCHOOLS EXPENSES

Salaries and allowances	12,365,269	11,298,970
Printing and stationery	496,481	454,776
Vehicle running and maintenance	297,421	313,326
Repair and maintenance	531,635	428,772
Rent	1,906,694	1,804,165
Traveling and conveyance	518,632	504,607
Functions and seminars	210,216	150,070
Training	27,229	6,898
Publicity and advertising	103,870	60,120
Office supplies	49,252	15,941
Entertainment	226,462	211,297
Utilities	257,668	245,256
Communication expenses	110,755	112,147
Others	38,659	91,214
	<u>17,140,243</u>	<u>15,697,559</u>

16. TAXATION

The Trust has been granted exemption from tax under clause (58) and (59) of Part – 1 of the Second Schedule to the Income Tax Ordinance, 2001 by the Deputy Commissioner of Income Tax. The Trust files returns every year under Section 120 of Income Tax Ordinance, 2001, which shall be taken to be assessment orders passed by the Commissioner of Income Tax (CIT) on the day the said returns are furnished.

17. DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been authorized for issue by the Board of Trustees on


29 JAN 2009

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18. GENERAL

Figures have been rounded off to the nearest rupee.


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