



GREEN CRESCENT TRUST

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

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AUDITORS' REPORT TO THE BOARD OF TRUSTEES

We have audited the annexed balance sheet of the **Green Crescent Trust** as at 30 June 2010 and the related receipts and expenditure account together with the notes forming part thereof, for the year then ended (here-in-after referred to as the statements 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 statements in conformity with the cash receipt and expenditure incurred basis as described in note 2 to the 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, the statements 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 statements presents fairly, in all material respects, the cash receipt and expenditure, etc. of the **Green Crescent Trust** for the year ended 30 June 2010 on the basis of accounting described in note 2 to the statements.

Ernst & Young Ford Rhodes Sidat Hyder
Chartered Accountants

Audit Engagement Partner's Name: Pervez Muslim

Date: 25 January 2011

Place: Karachi

GREEN CRESCENT TRUST

BALANCE SHEET
AS AT JUNE 30, 2010

	Note	June 30, 2010 Rupees	June 30, 2009 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	28,384,503	28,214,853
Long term deposits	5	735,500	555,500
		<u>29,120,003</u>	<u>28,770,353</u>
CURRENT ASSETS			
Inventory	6	375,687	162,417
Loans, advances, prepayment and other receivables	7	1,543,023	1,410,619
Bank balances	8	698,218	1,029,266
		<u>2,616,928</u>	<u>2,602,302</u>
TOTAL ASSETS		<u>31,736,931</u>	<u>31,372,655</u>
LESS: CURRENT LIABILITIES			
Loan from a Trustee	9	150,000	-
Current maturity of long term loan		2,403,130	2,613,843
		<u>2,553,130</u>	<u>2,613,843</u>
		<u>29,183,801</u>	<u>28,758,812</u>
REPRESENTED BY:			
NON-CURRENT LIABILITY			
Long-term loan - Musharka Finance	10	7,625,855	10,028,985
FUND			
General Fund	11	21,557,946	18,729,827
		<u>29,183,801</u>	<u>28,758,812</u>

The annexed notes 1 to 17 form an integral part of these financial statements.

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GREEN CRESCENT TRUST

RECEIPTS AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED JUNE 30, 2010

	Note	June 30, 2010 Rupees	June 30, 2009 Rupees
RECEIPTS			
Donations		8,903,173	7,636,252
Zakat		11,372,000	8,603,487
Schools fees received from students		12,423,420	10,929,974
Training income - Centre for Educational Research and Development		359,552	190,550
Sale of books		106,600	182,960
Profit on bank deposits		195,837	138,588
		<u>33,360,582</u>	<u>27,681,811</u>
EXPENDITURE			
Head Office expenses – Secretariat	12	2,142,705	2,653,080
Center for Educational Research and Development expenses	13	633,250	338,604
Schools' expenses	14	24,806,784	22,198,451
Printing charges – books		136,910	250,996
Advertisement and publicity		366,410	26,820
Professional charges		62,790	48,050
Water project		41,115	360,681
Healthcare		53,152	-
Book bank		381,827	102,325
Depreciation	4	1,907,520	1,683,101
		<u>30,532,463</u>	<u>27,662,108</u>
EXCESS OF RECEIPTS OVER EXPENDITURE TRANSFERRED TO GENERAL FUND		<u>2,828,119</u>	<u>19,703</u>

The annexed notes 1 to 17 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, 2010

1. THE TRUST 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. BASIS OF PREPARATION

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

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 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.

3.2 Inventories

The inventories are valued using the weighted average method.

3.3 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. *Examp*

4. PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets

COST					ACCUMULATED DEPRECIATION			NET BOOK VALUE
Note	As at July 01, 2009	Additions	As at June 30, 2010	Rate	As at July 01, 2009	Depreciation for the year	As at June 30, 2010	As at June 30, 2010
	-----Rupees-----			%	-----Rupees-----			
June 30, 2010								
Buildings:								
Head Office	26,654,778	-	26,654,778	5	1,332,739	1,266,102	2,598,841	24,055,937
School	675,000		675,000	5	65,813	30,459	96,272	578,728
Furniture and fixtures	2,842,236	609,790	3,452,026	10	1,448,992	200,303	1,649,295	1,802,731
Office equipment	1,110,250	167,680	1,277,930	10	486,893	79,104	565,997	711,933
Computers and related accessories	535,110	28,200	563,310	30	381,242	54,620	435,862	127,448
Vehicles	4.1 493,500	1,271,500	1,765,000	20	403,236	272,353	675,589	1,089,411
Library books	127,144	-	127,144	20	104,250	4,579	108,829	18,315
	32,438,018	2,077,170	34,515,188		4,223,165	1,907,520	6,130,685	28,384,503

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4.1 Included herein is a vehicle, costing Rs.295,000 (2009: Rs.Nil), received as a donation in kind.

	COST			Rate	ACCUMULATED DEPRECIATION			NET BOOK VALUE
	As at July 01, 2008	Additions	As at June 30, 2009		As at July 01, 2008	Depreciation for the year	As at June 30, 2009	As at June 30, 2009
	-----Rupees-----			%	-----Rupees-----			
June 30, 2009								
Buildings:								
Head Office	-	26,654,778	26,654,778	5	-	1,332,739	1,332,739	25,322,039
School	675,000	-	675,000	5	33,750	32,063	65,813	609,187
Furniture and fixtures	2,481,366	360,870	2,842,236	10	1,294,187	154,805	1,448,992	1,393,244
Office equipment	963,244	147,006	1,110,250	10	417,631	69,262	486,893	623,357
Computers and related accessories	404,010	131,100	535,110	30	315,299	65,943	381,242	153,868
Vehicles	493,500	-	493,500	20	380,670	22,566	403,236	90,264
Library books	127,144	-	127,144	20	98,527	5,723	104,250	22,894
	5,144,264	27,293,754	32,438,018		2,540,064	1,683,101	4,223,165	28,214,853

End

	Note	June 30, 2010 Rupees	June 30, 2009 Rupees
5. LONG TERM DEPOSITS			
Security deposits		<u>735,500</u>	<u>555,500</u>
6. INVENTORY			
Books		<u>375,687</u>	<u>162,417</u>
7. LOANS, ADVANCES, PREPAYMENT AND OTHER RECEIVABLE			
Loans - unsecured			
Employees	7.1	31,000	127,215
Advances - unsecured			
Employees		603,942	259,842
Prepayment - unsecured			
Rent		635,400	819,100
Other receivable			
Tax deducted at source		272,681	204,462
		<u>1,543,023</u>	<u>1,410,619</u>

7.1 These are interest free personal loans given to the employees of the Trust, recoverable in one year.

8. BANK BALANCES

At banks in:

Current accounts		418,033	101,267
Savings accounts	8.1	<u>280,185</u>	<u>927,999</u>
		<u>698,218</u>	<u>1,029,266</u>

8.1 These carry return at rates, ranging between 4% and 5% (2009: 4% and 5%) per annum.

9. LOAN FROM A TRUSTEE

Unsecured

Abdul Gaffar Umer – Secretary General	9.1	<u>150,000</u>	<u>-</u>
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9.1 This represents interest free loan extended by the Secretary General of the Trust to meet the funds requirement of the Trust. The said loan is unsecured and is repayable on demand and, hence, is shown under current liabilities.

10. LONG-TERM LOAN - Musharka Finance

Secured - from a bank	10.1	10,028,985	12,642,828
Current portion shown under current liabilities		<u>(2,403,130)</u>	<u>(2,613,843)</u>
		<u>7,625,855</u>	<u>10,028,985</u>

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10.1 Musharka Finance

This represents a Musharka Finance Facility arranged by the Trust during the year ended June 30, 2009 from a bank for the purchase of a building. The term of the said loan is seven years, with no grace period, and is repayable in 84 monthly payments, commencing August 2008 to July 2015. The rate on mark-up of the said facility is 14.75% (2009: 14.75%) per annum. The loan is secured against an equitable mortgage by deposit of title deeds in respect of the Musharka property and a Demand promissory note.

June 30,	June 30,
2010	2009
Rupees	Rupees

11. GENERAL FUND

Opening balance	18,729,827	18,710,124
Excess of Receipts over Expenditure	2,828,119	19,703
	<u>21,557,946</u>	<u>18,729,827</u>

12. HEAD OFFICE EXPENSES - SECRETARIAT

Salaries and allowances	1,303,289	1,126,049
Utilities	151,612	107,092
Printing and stationery	47,779	48,005
Office supplies	37,285	50,050
Vehicle running and maintenance	210,605	250,569
Communication expenses	101,348	88,930
Postage and telegram	2,775	2,852
Bank charges	19,814	12,783
Repairs and maintenance	157,387	815,547
Entertainment	92,104	93,123
Others	18,707	58,080
	<u>2,142,705</u>	<u>2,653,080</u>

13. CENTRE FOR EDUCATIONAL RESEARCH AND DEVELOPMENT EXPENSES

Salaries and allowances	521,500	276,000
Printing and stationery	21,851	6,011
Repairs and maintenance	11,635	8,435
Training and consultancy	10,500	4,500
Function and seminars	20,183	7,419
Traveling and conveyance	1,470	3,126
Office supplies	960	5,955
Postage and telegram	1,190	575
Communication expense	18,300	14,700
Entertainment	21,336	11,883
Others	4,325	-
	<u>633,250</u>	<u>338,604</u>

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	June 30, 2010 Rupees	June 30, 2009 Rupees
14. SCHOOLS' EXPENSES		
Salaries and allowances	16,979,354	15,308,168
Printing and stationery	833,598	603,594
Vehicle running and maintenance	578,293	452,934
Repair and maintenance	918,685	934,622
Rent	2,958,247	2,517,189
Traveling and conveyance	867,401	934,694
Functions and seminars	324,961	399,337
Training	145,366	45,179
Publicity and advertising	193,937	111,525
Office supplies	-	42,439
Entertainment	352,382	287,814
Utilities	423,970	315,492
Communication expenses	119,827	118,916
Others	110,763	126,548
	<u>24,806,784</u>	<u>22,198,451</u>

15. 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.

16. DATE OF AUTHORIZATION FOR ISSUE

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

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17. GENERAL

Figures have been rounded off to the nearest rupee.



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