



GREEN CRESCENT TRUST

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

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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 2009 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 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, 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 2009 on the basis of accounting described in note 2 to the statement.

Ernst & Young Ford Rhodes Sidat Hyder

Chartered Accountants

Audit Engagement Partner's Name: Pervez Muslim

Date: 16 February 2010

Place: Karachi

GREEN CRESCENT TRUST

BALANCE SHEET
AS AT JUNE 30, 2009

	Note	June 30, 2009 Rupees	June 30, 2008 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	28,214,853	16,059,200
Long term deposits	5	555,500	555,500
		<u>28,770,353</u>	<u>16,614,700</u>
CURRENT ASSETS			
Inventory	6	162,417	197,413
Loans, advances, prepayment and other receivables	7	1,410,619	1,908,571
Bank balances	8	1,029,266	839,440
		<u>2,602,302</u>	<u>2,945,424</u>
TOTAL ASSETS		<u>31,372,655</u>	<u>19,560,124</u>
LESS: CURRENT LIABILITIES			
Short-term loans		-	850,000
Current maturity of long term loan		2,613,843	-
		<u>2,613,843</u>	<u>850,000</u>
		<u>28,758,812</u>	<u>18,710,124</u>
REPRESENTED BY:			
NON-CURRENT LIABILITIES			
Long-term loan - Musharka Finance	9	10,028,985	-
FUND			
General Fund	10	18,729,827	18,710,124
COMMITMENT			
	11	<u>28,758,812</u>	<u>18,710,124</u>

The annexed notes 1 to 17 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, 2009

	Note	June 30, 2009 Rupees	June 30, 2008 Rupees
INCOME			
Donations		7,636,252	8,223,764
Zakat		8,603,487	5,381,050
Miscellaneous		-	306,000
Schools fees			
Received from students		10,929,974	8,760,399
Training income - Centre for Educational Research and Development		190,550	138,260
Sale of books		182,960	91,075
Rental income		-	108,000
Profit on bank deposits		138,588	56,544
Accrued liabilities written back		-	885,462
Net gain on sale of fixed assets		-	10,870,406
		<u>27,681,811</u>	<u>34,820,960</u>
EXPENDITURE			
Head Office expenses - Secretariat	12	2,653,080	1,654,504
Center for Educational Research and Development expenses	13	338,604	117,973
Schools' expenses	14	22,198,451	17,140,243
Printing charges of books		250,996	125,192
Advertisement and publicity		26,820	15,000
Professional expenses		48,050	27,332
Water projects		360,681	-
Book bank		102,325	-
Depreciation		1,683,101	299,663
		<u>27,662,108</u>	<u>19,379,907</u>
EXCESS OF INCOME OVER EXPENDITURE TRANSFERRED TO GENERAL FUND		<u>19,703</u>	<u>15,441,053</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, 2009

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. 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.

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.

4. PROPERTY, PLANT AND EQUIPMENT

	Note	June 30, 2009	June 30, 2008
		-----Rupees-----	
Operating fixed assets	4.1	28,214,853	2,604,200
Capital work-in-progress	4.2	-	13,455,000
		<u>28,214,853</u>	<u>16,059,200</u>

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4.1 Operating fixed assets

Note	COST				ACCUMULATED DEPRECIATION			NET BOOK VALUE
	As at July 01, 2008	Additions	As at June 30, 2009	Rate	As at July 01, 2008	Depreciation for the year	As at June 30, 2009	As at June 30, 2009
	-----Rupees-----				%	-----Rupees-----		
<u>June 30, 2009</u>								
Buildings:								
Head Office	4.1.1	-	26,654,778	5	-	1,332,739	1,332,739	25,322,039
School		675,000	-	5	33,750	32,063	65,813	609,187
Furniture and fixtures		2,481,366	360,870	10	1,294,187	154,805	1,448,992	1,393,244
Office equipment	4.1.2	963,244	147,006	10	417,631	69,262	486,893	623,357
Computers and related accessories		404,010	131,100	30	315,299	65,943	381,242	153,868
Vehicles		493,500	-	20	380,670	22,566	403,236	90,264
Library books		127,144	-	20	98,527	5,723	104,250	22,894
		5,144,264	27,293,754		2,540,064	1,683,101	4,223,165	28,214,853

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4.1.1 Included herein is a sum of Rs.13.455 million, representing amount transferred from capital work-in-progress.

4.1.2 Included herein is a sum of Rs.Nil (2008: Rs.119,950), received as donations in kind.

Note	COST					Rate	ACCUMULATED DEPRECIATION			NET BOOK VALUE
	As at July 01, 2007	Additions	Disposals	As at June 30, 2008	As at July 01, 2007		Depreciation for the year	On disposals	As at June 30, 2008	As at June 30, 2008
	-----Rupees-----				%		-----Rupees-----			
<u>June 30, 2008</u>										
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	4.1.2 876,184	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

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4.2 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

June 30, 2009 Rupees	Additions / Transfer Rupees	June 30, 2008 Rupees
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-	(13,455,000)	13,455,000
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Note	June 30, 2009 Rupees	June 30, 2008 Rupees
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5. LONG TERM DEPOSITS

Security deposits

555,500	555,500
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6. INVENTORY

Books

162,417	197,413
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7. LOANS, ADVANCES, PREPAYMENT AND OTHER RECEIVABLE

Loans - unsecured
Employees

7.1	127,215	56,004
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Advances - unsecured
Employees
Suppliers

259,842	491,519
-	97,000

259,842	588,519
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Prepayment - unsecured
Rent

819,100	1,116,500
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Other receivable
Tax deducted at source

204,462	147,548
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1,410,619	1,908,571
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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
Savings accounts

8.1	101,267	149,556
	927,999	689,884
	1,029,266	839,440

8.1 These carry profit at rates ranging between 4% and 5% (2008: 4% and 5%) per annum.

9. LONG-TERM LOAN - Musharka Finance

Secured - from a bank
Current portion shown under current liabilities

9.1	12,642,828	-
	(2,613,843)	-
	10,028,985	-

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9.1 Musharka Finance

This represents a Musharka Finance Facility arranged by the Trust during the current year from a bank for the purchase of a building (note 4.1). 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% 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.

Note	June 30, 2009 Rupees	June 30, 2008 Rupees
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10. GENERAL FUND

Opening balance	18,710,124	3,269,071
Excess of income over expenditure	19,703	15,441,053
	<u>18,729,827</u>	<u>18,710,124</u>

11. COMMITMENT

Commitment in respect of the Head Office building as at June 30, 2009, amounted to Rs.Nil (2008: Rs.8.00) million.

12. HEAD OFFICE EXPENSES - SECRETARIAT

Salaries and allowances	1,126,049	1,199,299
Utilities	107,092	59,236
Printing and stationery	48,005	14,290
Office supplies	50,050	30,870
Vehicle running and maintenance	250,569	126,856
Communication expenses	88,930	85,566
Postage and telegram	2,852	4,821
Bank charges	12,783	9,589
Repairs and maintenance	815,547	86,989
Entertainment	93,123	31,017
Others	58,080	5,971
	<u>2,653,080</u>	<u>1,654,504</u>

13. CENTRE FOR EDUCATIONAL RESEARCH AND DEVELOPMENT EXPENSES

Salaries and allowances	276,000	-
Printing and stationery	6,011	12,501
Repairs and maintenance	8,435	16,986
Training and consultancy	4,500	3,735
Function and seminars	7,419	9,434
Traveling and conveyance	3,126	15,041
Office supplies	5,955	6,780
Postage and telegram	575	7,712
Communication expense	14,700	20,063
Entertainment	11,883	15,341
Utilities	-	2,240
Others	-	8,140
	<u>338,604</u>	<u>117,973</u>

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14. SCHOOLS EXPENSES

	June 30, 2009 Rupees	June 30, 2008 Rupees
Salaries and allowances	15,308,168	12,365,269
Printing and stationery	603,594	496,481
Vehicle running and maintenance	452,934	297,421
Repair and maintenance	934,622	531,635
Rent	2,517,189	1,906,694
Traveling and conveyance	934,694	518,632
Functions and seminars	399,337	210,216
Training	45,179	27,229
Publicity and advertising	111,525	103,870
Office supplies	42,439	49,252
Entertainment	287,814	226,462
Utilities	315,492	257,668
Communication expenses	118,916	110,755
Others	126,548	38,659
	<u>22,198,451</u>	<u>17,140,243</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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