



## **GREEN CRESCENT TRUST**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011**

**Ernst & Young Ford Rhodes Sidat Hyder**  
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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 2011 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 receipts 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 receipts and expenditure, etc. of the **Green Crescent Trust** for the year ended 30 June 2011 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: 4 February 2012

Place: Karachi

## GREEN CRESCENT TRUST

BALANCE SHEET  
AS AT JUNE 30, 2011

	Note	June 30, 2011 Rupees	June 30, 2010 Rupees
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	4	27,965,272	28,384,503
Long-term deposits	5	785,500	735,500
		<u>28,750,772</u>	<u>29,120,003</u>
<b>CURRENT ASSETS</b>			
Inventory	6	529,026	375,687
Loans, advances and prepayment	7	1,849,052	1,543,023
Bank balances	8	4,440,030	698,218
		<u>6,818,108</u>	<u>2,616,928</u>
<b>TOTAL ASSETS</b>		<u>35,568,880</u>	<u>31,736,931</u>
<b>LESS: CURRENT LIABILITIES</b>			
Loan from a Trustee	9	230,000	150,000
Advance from an employee		5,000	-
Current maturity of long-term loan		2,192,415	2,403,130
		<u>2,427,415</u>	<u>2,553,130</u>
		<u>33,141,465</u>	<u>29,183,801</u>
<b>REPRESENTED BY:</b>			
<b>NON-CURRENT LIABILITY</b>			
Long-term loan - Musharka Finance	10	5,433,440	7,625,855
<b>FUNDS</b>			
General Fund	11	23,442,311	21,557,946
Flood Relief Fund	12	4,265,714	-
		<u>27,708,025</u>	<u>21,557,946</u>
		<u>33,141,465</u>	<u>29,183,801</u>

The annexed notes 1 to 19 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, 2011

	Note	June 30, 2011 Rupees	June 30, 2010 Rupees
<b>RECEIPTS</b>			
Donations		9,165,855	8,903,173
Zakat		14,197,400	11,372,000
School fees received from students		16,516,120	12,423,420
Training income - Centre for Educational Research and Development		290,000	359,552
Sale of books		54,226	106,600
Profit on bank deposits		282,825	195,837
Net gain on sale of fixed assets		1,323	-
		<u>40,507,749</u>	<u>33,360,582</u>
<b>EXPENDITURE</b>			
Head Office expenses – Secretariat	13	2,831,981	2,142,705
Center for Educational Research and Development expenses	14	1,014,035	633,250
School's expenses	15	31,632,900	24,806,784
Printing charges - books		45,307	136,910
Advertisement and publicity		777,959	366,410
Auditors' remuneration	16	47,850	46,590
Professional charges		25,000	16,200
Water project		39,900	41,115
Healthcare		12,943	53,152
Book bank		273,618	381,827
Depreciation	4	1,921,891	1,907,520
		<u>38,623,384</u>	<u>30,532,463</u>
<b>EXCESS OF RECEIPTS OVER EXPENDITURE TRANSFERRED TO GENERAL FUND</b>		<u>1,884,365</u>	<u>2,828,119</u>

The annexed notes 1 to 19 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, 2011****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 receipts 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.

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**3.4 Taxation**

See note 16.

## 4. PROPERTY, PLANT AND EQUIPMENT

## Operating fixed assets

	COST					ACCUMULATED DEPRECIATION				NET BOOK VALUE
	As at July 01, 2010	Additions	Deletions	As at June 30, 2011	Rate	As at July 01, 2010	For the year	(On deletions)	As at June 30, 2011	As at June 30, 2011
	-----Rupees-----				%	-----Rupees-----				
<b>June 30, 2011</b>										
<b>Buildings:</b>										
Head Office	26,654,778	-	-	26,654,778	5	2,598,841	1,202,797	-	3,801,638	22,853,140
School	675,000	-	-	675,000	5	96,272	28,937	-	125,209	549,791
Furniture and fixtures	3,452,026	1,120,794	-	4,572,820	10	1,649,295	292,352	-	1,941,647	2,631,173
Office equipment	1,277,930	211,410	(10,000)	1,479,340	10	565,997	91,525	(1,900)	655,622	823,718
Computers and related accessories	563,310	107,900	-	671,210	30	435,862	70,604	-	506,466	164,744
Vehicles	1,765,000	73,233	(30,000)	1,808,233	20	675,589	232,013	(27,423)	880,179	928,054
Library books	127,144	-	-	127,144	20	108,829	3,663	-	112,492	14,652
	34,515,188	1,513,337	(40,000)	35,988,525		6,130,685	1,921,891	(29,323)	8,023,253	27,965,272

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## 4. PROPERTY, PLANT AND EQUIPMENT

## Operating fixed assets

	COST					ACCUMULATED DEPRECIATION				NET BOOK VALUE
	As at July 01, 2010	Additions	Deletions	As at June 30, 2011	Rate	As at July 01, 2010	For the year	(On deletions)	As at June 30, 2011	As at June 30, 2011
	-----Rupees-----					%	-----Rupees-----			
<u>June 30, 2011</u>										
<b>Buildings:</b>										
Head Office	26,654,778	-	-	26,654,778	5	2,598,841	1,202,797	-	3,801,638	22,853,140
School	675,000	-	-	675,000	5	96,272	28,937	-	125,209	549,791
Furniture and fixtures	3,452,026	1,120,794	-	4,572,820	10	1,649,295	292,352	-	1,941,647	2,631,173
Office equipment	1,277,930	211,410	(10,000)	1,479,340	10	565,997	91,525	(1,900)	655,622	823,718
Computers and related accessories	563,310	107,900	-	671,210	30	435,862	70,604	-	506,466	164,744
Vehicles	1,765,000	73,233	(30,000)	1,808,233	20	675,589	232,013	(27,423)	880,179	928,054
Library books	127,144	-	-	127,144	20	108,829	3,663	-	112,492	14,652
	34,515,188	1,513,337	(40,000)	35,988,525		6,130,685	1,921,891	(29,323)	8,023,253	27,965,272

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		COST			ACCUMULATED DEPRECIATION			NET BOOK VALUE
Note	As at	Additions	As at	Rate	As at	Depreciation	As at	As at
	July 01, 2009		June 30, 2010		July 01, 2009	for the year	June 30, 2010	June 30, 2010
	-----Rupees-----			%	-----Rupees-----			
<b>June 30, 2010</b>								
<b>Buildings:</b>								
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



4.1 Included herein is a vehicle, costing Rs.295.000, received as a donation in kind.



	Note	June 30, 2011 Rupees	June 30, 2010 Rupees
<b>5. LONG-TERM DEPOSITS</b>			
Security deposits		<u>785,500</u>	<u>735,500</u>
<b>6. INVENTORY</b>			
Books		<u>529,026</u>	<u>375,687</u>
<b>7. LOANS, ADVANCES AND PREPAYMENT</b>			
Loans - unsecured			
Employees	7.1	42,708	31,000
Advances - unsecured			
Employees		<u>1,029,535</u>	<u>603,942</u>
Tax deducted at source		<u>371,809</u>	<u>272,681</u>
		<u>1,401,344</u>	<u>876,623</u>
Prepayment - unsecured			
Rent		<u>405,000</u>	<u>635,400</u>
		<u>1,849,052</u>	<u>1,543,023</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		1,457,648	418,033
Savings accounts	8.1	<u>2,982,382</u>	<u>280,185</u>
		<u>4,440,030</u>	<u>698,218</u>

8.1 These carry return at rates, ranging between 4% and 5% (2010: 4% and 5%) per annum.

#### 9. LOAN FROM A TRUSTEE

##### Unsecured

Abdul Gaffar Umer – Secretary General	9.1	<u>230,000</u>	<u>150,000</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	7,625,855	10,028,985
Current portion shown under current liabilities		<u>(2,192,415)</u>	<u>(2,403,130)</u>
		<u>5,433,440</u>	<u>7,625,855</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, 2010 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 installments, commencing August 2008 to May 2015. The rate of mark-up of the said facility is 14.75% (2010: 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.

### 11. GENERAL FUND

	June 30, 2011 Rupees	June 30, 2010 Rupees
Opening balance	21,557,946	18,729,827
Excess of Receipts over Expenditure	1,884,365	2,828,119
	<u>23,442,311</u>	<u>21,557,946</u>

### 12. FLOOD RELIEF FUND

Opening balance	-	-
Receipts during the year	4,953,000	-
Utilised during the year	(687,286)	-
	<u>4,265,714</u>	<u>-</u>

12.1 The above represents the aggregated amount of donation received by the Trust from Al-Khidmat Welfare Society and several other donors for the purpose of relief activities to be carried out for flood victims.

### 13. HEAD OFFICE EXPENSES – SECRETARIAT

Salaries and allowances	1,619,674	1,303,289
Utilities	229,650	151,612
Printing and stationery	58,266	47,779
Office supplies	70,650	37,285
Vehicle running and maintenance	255,912	210,605
Training	45,681	-
Communication expenses	134,225	101,348
Postage and telegram	2,460	2,775
Bank charges	15,943	19,814
Repairs and maintenance	299,113	157,387
Entertainment	100,407	92,104
Others	-	18,707
	<u>2,831,981</u>	<u>2,142,705</u>

### 14. CENTRE FOR EDUCATIONAL RESEARCH AND DEVELOPMENT EXPENSES

Salaries and allowances	820,000	521,500
Printing and stationery	50,785	21,851
Repairs and maintenance	9,046	11,635
Training and consultancy	19,340	10,500
Function and seminars	18,769	20,183
Traveling and conveyance	57,597	1,470
Office supplies	1,480	960
Postage and telegram	2,763	1,190
Communication expense	15,141	18,300
Entertainment	19,114	21,336
Others	-	4,325
	<u>1,014,035</u>	<u>633,250</u>

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June 30, 2011 Rupees	June 30, 2010 Rupees
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**15. SCHOOL'S EXPENSES**

Salaries and allowances	21,679,949	16,979,354
Printing and stationery	1,050,509	833,598
Vehicle running and maintenance	829,398	578,293
Repair and maintenance	1,183,456	918,685
Rent	3,555,095	2,958,247
Traveling and conveyance	971,748	867,401
Functions and seminars	394,640	324,961
Training	743,232	145,366
Publicity and advertising	44,724	193,937
Office supplies	50,885	-
Entertainment	459,446	352,382
Utilities	494,098	423,970
Communication expenses	130,627	119,827
Others	45,093	110,763
	<u>31,632,900</u>	<u>24,806,784</u>

**16. AUDITORS' REMUNERATION**

Audit fee	40,000	40,000
Out-of-pocket	7,850	6,590
	<u>47,850</u>	<u>46,590</u>

**17. 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.

**18. DATE OF AUTHORIZATION FOR ISSUE**

These financial statements have been authorized for issue by the Board of Trustees on 04 FEB 2012 *Emp*

**19. GENERAL**

Figures have been rounded off to the nearest rupee.

  
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