

LANDHI ASSOCIATION
OF TRADE AND INDUSTRY

FINANCIAL STATEMENTS
For the year ended June 30, 2009

AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of **LANDHI ASSOCIATION OF TRADE AND INDUSTRY** as at June 30, 2009, and the related income and expenditure account together with the notes forming part thereof, for the year then ended and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

It is the responsibility of the Company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.


We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

- (a) in our opinion, proper books of account have been kept by the Company as required by the Companies Ordinance, 1984;
- (b) in our opinion:
 - (i) the balance sheet and income and expenditure account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied;
 - (ii) the expenditure incurred during the year was for the purpose of the Company's business; and
 - (iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company;

- (c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet and income and expenditure account together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan and, give the information required by the Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2009 and of the surplus for the year then ended; and
- (d) in our opinion, no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980.

Place: Karachi

Dated: 29 JUL 2009


HAROON ZAKARIA & COMPANY
CHARTERED ACCOUNTANTS
(Muhammad Haroon)

LANDHI ASSOCIATION OF TRADE AND INDUSTRY
BALANCE SHEET

AS AT JUNE 30, 2009

	Note	2009 Rupees	2008 Rupees
ASSETS			
NON-CURRENT ASSET			
Operating fixed assets - tangible	3	861,501	849,312
CURRENT ASSETS			
Receivable	4	-	120,500
Subscription receivable		161,233	65,000
Cash and bank balances	5	2,351,054	499,737
		2,512,287	685,237
TOTAL ASSETS		3,373,788	1,534,549
FUND AND LIABILITIES			
FUND			
GENERAL FUND	6	893,228	633,282
CURRENT LIABILITIES			
Loan from members	7	480,000	504,000
Advance subscription		399,560	332,767
Funds for 15 Center		1,570,000	-
Accrued and other liabilities		31,000	64,500
		2,480,560	901,267
TOTAL FUNDS AND LIABILITIES		3,373,788	1,534,549

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


Chairman


Senior Vice Chairman

**LANDHI ASSOCIATION OF TRADE AND INDUSTRY
INCOME AND EXPENDITURE ACCOUNT**

FOR THE YEAR ENDED JUNE 30, 2009

	Note	2009 Rupees	2008 Rupees
Income			
Annual Subscriptions		595,000	669,700
Admission Fee		30,000	95,000
Donations	8	-	218,000
Services provided to LITE		367,000	-
NOC Fee		25,000	-
Liability written off		9,000	-
Donations for 15 Madadgar Center		524,920	-
		<u>1,550,920</u>	<u>982,700</u>
Expenditure			
Salaries and other benefits		492,500	572,100
Printing and stationery		1,365	12,270
Telephone and postage		26,185	71,526
Computer expenses		6,900	1,500
Utilities		28,400	25,900
Depreciation	3	137,811	148,147
Auditor's remuneration	9	31,000	31,000
Rent		140,000	239,000
Traveling and conveyance		500	24,500
Membership and subscription fee		25,600	6,800
Legal and professional charges		36,500	44,640
Repair and maintenance	10	11,510	81,200
Enhancement of 15 Center		250,000	-
Newspaper		1,188	-
Bank charges		656	900
Miscellaneous expenses		29,917	40,686
Madadgar Force expense	11	70,942	47,437
		<u>1,290,974</u>	<u>1,347,606</u>
Net surplus / (loss) transferred to general fund		<u>259,946</u>	<u>(364,906)</u>

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


Chairman


Senior Vice Chairman

LANDHI ASSOCIATION OF TRADE AND INDUSTRY
NOTES TO THE FINANCIAL STATEMENT

FOR THE YEAR ENDED JUNE 30, 2009

1. LEGAL STATUS AND NATURE OF BUSINESS

Landhi Association of Trade Industry (the Association) was incorporated in Pakistan on June 20, 1975 as a limited Company under the Companies Act, 1913, (now Company Ordinance, 1984). Whereby, every member undertakes to contribute to the assets of the Association, in the event of the same being wound up, such amount as may be required, not exceeding Rs. 25 or, in case of this liability becoming unlimited, such other amount as may be required. The main object of the Association is to promote and safeguard the rights and interests of the trade and industrial in Sindh.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1. Accounting convention

These financial statements have been prepared under the historical cost convention.

2.2. Statement of compliance

These financial statements have been prepared in accordance with "Accounting and Financial Reporting Standards for Small-Sized Entities (SSEs)" issued by Institute of Chartered Accountants of Pakistan (ICAP) and the requirements of the Companies Ordinance, 1984. Wherever the requirements of the Companies Ordinance, 1984 or the directives issued by Securities and Exchange Commission of Pakistan (SECP) differ with the requirements of these standards, the requirements of the Companies Ordinance, 1984 or the requirements of said directives take precedence.

2.3. Operating fixed assets

Operating assets are stated at cost less accumulated depreciation.

Depreciation on operating assets is charged to income applying reducing balance method, whereby the cost of an assets is written off over its estimated useful life at the rates specified in relevant note. A full year's depreciation is charged on additions during the year, while no depreciation is charged on assets disposed off during the year.

Maintenance and normal repairs are charged to income as and when incurred. Major renewals and improvements are capitalized.

Gain or losses on disposal, if any, are included in income currently.

2.4. Creditors, accrued expenses and other liabilities

Liabilities for trade and other amounts payable are stated at their nominal values.

2.5. Revenue recognition

Subscription is recorded on an accrual basis.

Donations are recorded on receipts basis.

3. OPERATING FIXED ASSETS - TANGIBLE

Description	C O S T			Rate %	ACCUMULATED DEPRECIATION			Written down value as at June 30, 2009
	As at July 1, 2008	Addition	As at June 30, 2009		As at July 1, 2008	For the year	As at June 30, 2009	
	Rupees				Rupees			
Furniture and fixture	220,036	-	220,036	10	87,703	13,233	100,936	119,100
Air conditioners	181,000	-	181,000	10	93,631	8,737	102,368	78,632
Office equipments	29,500	-	29,500	10	15,391	1,411	16,802	12,698
Electric equipments	42,715	-	42,715	10	18,887	2,383	21,270	21,445
Computers	79,515	-	79,515	10	42,765	3,675	46,440	33,075
Assets - 15 Madadgar LANDHI								
Motor Cycle	420,000	-	420,000	20	151,200	53,760	204,960	215,040
Computer	60,000	-	60,000	30	30,600	8,820	39,420	20,580
Office equipments	80,000	-	80,000	20	28,800	10,240	39,040	40,960
Furniture and fittings	253,732	150,000	403,732	10	48,209	35,552	83,761	319,971
Rupees 2 0 0 9	1,366,498	150,000	1,516,498		517,186	137,811	654,997	861,501
Rupees 2 0 0 8	1,341,398	25,100	1,366,498		369,039	148,147	517,186	849,312

	2009 Rupees	2008 Rupees
4. RECEIVABLE		
Considered good		
Receivable from LITE Development	-	120,500
5. CASH AND BANK BALANCES		
Cash at bank in current account	2,246,944	493,735
Cash in hand	104,110	6,002
	<u>2,351,054</u>	<u>499,737</u>
6. GENERAL FUND		
Opening balance	633,282	998,188
Surplus/(Loss) for the year	259,946	(364,906)
Closing balance	<u>893,228</u>	<u>633,282</u>
7. LOAN FROM MEMBERS		
Globe Management (Pvt) Ltd.	1,000	1,000
Gul Ahmed Textile Mills Limited	368,000	380,000
Grand Industries Pvt. Ltd.	111,000	123,000
	<u>480,000</u>	<u>504,000</u>
8. DONATIONS		
Received during the year from Nagaria Textile	-	70,000
Received during the year from IIL	-	55,000
Received from Members	-	93,000
	<u>-</u>	<u>218,000</u>
9. AUDITOR'S REMUNERATION		
Audit fee	30,000	30,000
Out of pocket	1,000	1,000
	<u>31,000</u>	<u>31,000</u>

	2009 Rupees	2008 Rupees
10. REPAIR AND MAINTENANCE		
Particulars		
UPS Repair	4,510	-
LATI Bath Room Repair	7,000	-
LATI Office AC repair charges	-	1,500
Lock repair charges of LATI	-	500
LATI office Paint charges	-	40,000
LATI Sign Board Charges	-	15,000
LATI website Charges	-	22,700
Internet Account refresh	-	1,500
	<u>11,510</u>	<u>81,200</u>

11. MADADGAR FORCE EXPENSE

Vehicle Service & Oiling	20,300	5,000
Vehicle Maintenance	50,642	10,015
Window Glass repair	-	4,500
Paint and General repair	-	15,000
Tyre & Maintenance	-	12,922
	<u>70,942</u>	<u>47,437</u>


12. DATE OF AUTHORIZATION

These financial statements were authorized for issue on 29 JUL 2008 by the Managing Committee of the Company.

13. GENERAL

Figures have been rounded off to the nearest rupee.


Chairman


Senior Vice Chairman