

Annual Report for the Year ended 2018



COMPANY INFORMATION

Board of Directors

Independent Directors

Zarar Kaleem
Chairman
Sh.Nouman Salahuddin
Director

Executive Directors

Muhammad Alamgir Ch
Chief Executive Officer

Non-Executive Directors

Nadeem Ahmad Malik
Director
Raja Hussanien Javed
Director

Committee

Audit Committee

Sh.Nouman Salahuddin -Chairman
Raja Hussanien Javed - Director

Human Resource Committee

Zarar Kaleem -Chairman
Nadeem Ahmad Malik - Director
Muhammad Alamgir Ch- Director

Procurement Committee

Zarar Kaleem -Chairman
Muhammad Alamgir Ch- Director

Nomination Committee

Nadeem Ahmad Malik -Chairman
Zarar Kaleem- Director
Sh.Nouman Saiahuddin- Director

Auditors

Ch. Shafaqat Ali & Co
Chartered Accountants

Registered Office

Gujranwala Business Centre
Opposite GCCI Building
Aiwan-e Tijarit Raod,
Gujranwala



Gujranwala Business Centre

A Company set up under section 42 of Companies Ordinance 1984
Ministry of Industries and Production, Govt. Of Pakistan



DIRECTORS' REPORT TO THE MEMBERS

The Board of Directors of **Gujranwala Business Centre** (Your Company) is pleased to present the Annual Report along with the audited financial statements for the year ended June 30, 2018.

OVERVIEW

Introduction

Gujranwala Business Centre (GBC) is a public sector company registered under section 42 of Companies Ordinance of 1984 established with the aim to provide a promotional and shared display facility for the industry of Gujranwala

Objectives

- To act as a platform for displaying variety of products of Gujranwala Industry to attract local and international buyers.
- To help the businessmen to find new markets, identification of weaker links in their products presentation to promote their local and export business.
- To provide facilitation and space for conducting one to one meetings for local and international buyers, sellers, vendors and delegations.
- To provide business information and business development resources for business counseling, networking liaising, management, technology support, ADR support through hiring experts/consultants/professionals.
- To provide space and facilities to the business community for product display, product marketing and exhibitors or any other activity to promote local business.
- To facilitate in increasing exposure of local business community to international business trends and to enhance ability to benchmark with the contemporary product standards, besides general compliance with international trade regulatory regime.
- To provide / facilitate incubation facilities for a new breed of entrepreneurs to establish an independent business.

Opposite Gujranwala Chamber of Commerce & Industry, Awan-e-Tijarat Road, Gujranwala-Pakistan
Phone # +92-55-9200868, Fax: # +92-55-9200968, E-mail: info@gbc.org.pk, Website: www.gbc.org.pk



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- To arrange and conduct capacity building programs including training programs/ seminars / workshops for entrepreneurs to build their capacities for starting and managing businesses.

Key Activities and Progress during 2017-18

Gujranwala Expo 2017

Gujranwala Expo was held at "Gujranwala Business Centre" from 30 November 2017 to 10 December, 2017. Total 48 stalls were booked. 22 stall on Ground Floor and 26 stall on 1st Floor.

SECTORS .Industry from different sectors i.e Sanitary Ware, Stainless Steel Utensils, Plastic Furniture, Ceramics, Engineering Goods, Motor & Pumps, Fan, Home Appliance, PPEC Pipe, Copper Wire, Kitchen Ware, Bicycle, Sanitary Fittings, Floor Tiles, Carpets, Leather Goods of Gujranwala was participated in "Made in Gujranwala Expo".

Delegation from Chambers, FPCCI, High Official, Ambassador/ Commercial Counselor, Universities / Colleges and general public visited this expo.

The local sale of Textile, Home Appliances, Electrical, Ceramics and leather sector was approx 4 million.

Workshops/Seminars:

➤ **Import Export documentation & Procedure**

Workshop on import export documentation was conducted on July 19, 2017 and 28 participant attend the this workshop

➤ **Accounting & Finance for Small Business**

Seminar on accounting & Finance for small business was held on September 19, 2017 and 32 person attend the seminar

➤ **IT Data Security for Small Business**

IT data security for small business was held on October 17 ,2017 and 21 participants attend this workshop.



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➤ Exhibition, Marketing & Selling Skills

A workshop on exhibition, marketing & selling skill conducted on November 22, 2017 and 28 persons attend the workshop.

➤ Sales and Customer Services Training

Sale and customer services training was conducted on December 27, 2017 and 16 participants attend the seminar.

➤ Cost Reduction Through Quality & Productivity Improvement Methods

A seminar on cost reduction through quality & productivity improvement methods was conduct on January 24, 2018 and 13 people attend this help desk and seminar.

➤ Import Export documentation/Procedure WeBOC Training

Import export documentation/procedure WeBOC training was conducted on February 15, 2018 and 12 participants attend the seminar

➤ Help Desk on Fashion Marketing & Merchandising For Small Business

Help Desk on Fashion Marketing & Merchandising for Small Business was conducted on May 05, 2018 and 10 participants attend the seminar

OPERATING RESULTS

Your Company has a net Deficit of Rs. 5.12 million for the year 2017-18. as compared to net deficit of Rs.3.54 million in 2016-17.

The key financial figures have been tabulated as follows

	Year Ended June 30, 2017	Year Ended June 30, 2018
	Rupees	Rupees
(Deficit)/ Surplus) before Tax	(3,545,913)	(5,121,334)
Taxation	-	-
Current Year	-	-
Surplus(Deficit) after Tax	<u>(3,545,913)</u>	<u>(5,121,334)</u>

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EARNING PER SHARE

The company is registered u/s 42 of Companies Ordinance 1984 without having share.

DIVIDEND

Your Company is a non-profit organization and all surplus earned would be employed by your Company to meet its objectives. The Securities and Exchange Commission Pakistan while granting license u/s 42 of the Companies Ordinance, 1984 has also required that no payment would be made to the members; therefore, your Company is not required to declare any dividends.

OUTSTANDING STATUTORY PAYMENTS

There are no outstanding payments due on account of taxes, duties, levies and charges except the current year tax liability and amounts of normal and routine nature.

MEETINGS OF BOARD OF DIRECTORS

During the year 4 meetings of the Board of Directors were held. Attendance by each Director at the board meeting is as under:

S.N	Name	Eligibility	Attended
Non-Executive Directors:			
1	Joint Secretary, Ministry of Industries and Production	4	4
2	GM, (Out Reach), SMEDA	4	3
3	Provincial Chief, SMEDA	4	4
Independent Directors:			
4	Mr. Zarar Kaleem	4	4
5	Mr. Sheikh Nouman Salahuddin	4	4

The Directors who could not attend a Board Meeting were granted leave of absence in accordance with the law.

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PATTERN OF SHAREHOLDING

The company is registered u/s 42 of Companies Ordinance 1984 without having share.

HOLDING COMPANY

Government of Pakistan is holding of the company.

FINANCIAL REPORTING FRAMEWORK:

- The financial statements, prepared by the management of the Company present fairly its state of affairs, the result of its operations, its cash flows and its changes in equity.
- Proper books of account of the Company have been maintained
- Appropriate accounting policies have been applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgement
- International Accounting Standards, as applicable in Pakistan, have been followed in the preparation of financial statements and any departure therefrom has been adequately disclosed
- No material changes and commitments affecting the financial position of your Company have occurred between the end of the financial year to which this balance sheet relates and the date of the Directors' Report
- The system of internal control is sound in design and has been effectively implemented and monitored
- The Board recognizes its responsibility to establish and maintain sound system of internal control, which is regularly reviewed and monitored
- The appointment of chairman and other members of Board and the terms of their appointment along with the remuneration policy adopted are in the best interests of the Public Sector Company as well as in line with the best practices
- The Board has complied with the relevant principles of corporate governance, and has identified the rules that have not been complied with, the period in which such non-compliance continued, and reasons for such non-compliance
- There are no significant doubts about the company's ability to continue as a going concern
- key operating and financial data of last six month has been summarized



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AUDITORS

The present auditors M/s Ch.Shafaqat Ali & Co., Chartered Accountants retire and being eligible, offer themselves for re-appointment.

AUDIT COMMITTEE

The Audit is comprised of following Non-Executive Directors. The Chairman of the Committee being an Independent Director

- Mr. Sheikh Nouman Salahuddin
- Mr. Raja Hassanien Javed

Statement of Financial Position

For the year ended June 30, 2018

	2018	2017
	(Rs.)	(Rs.)
<u>Assets</u>		
Non-Current Assets	47,738,627	53,338,162
Current Assets	2,639,520	2,103,143
Total Assets	<u>50,378,147</u>	<u>55,441,305</u>
<u>Capital & Liabilities</u>		
Capital Fund	49,785,858	54,907,192
Non Current Liabilities	-	
Current Liabilities	592,289	534,114
Total Capital Fund and Liabilities	<u>50,378,147</u>	<u>55,441,305</u>

ACKNOWLEDGEMENT

The Board of Directors places on record its appreciation of the support of the members, Government agencies and other parties.

The Board would like to express their appreciation for the excellent services and the efforts being rendered by the executives and staff members of your Company.


Chief Executive Officer

Date: 8/10/18


Director

INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the financial statements of **M/S GUJRANWALA BUSINESS CENTRE**, which comprise the statement of financial position as at June 30, 2018, and receipts & payment account, Income & Expenditure account and the statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion and to the best of our information and according to the explanations given to us, the accompanying financial statements present fairly, in all material respects, and give a true and fair view of the statement of financial position of **M/S GUJRANWALA BUSINESS CENTRE** as at June 30, 2018, and of its financial performance and the statement of financial performance for the year then ended in accordance with approved accounting and reporting standards as applicable in Pakistan.

Basis of Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for the Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of financial statements in accordance with the approved accounting and reporting standards as applicable in Pakistan and for such internal control as the Board of Governors determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, Board of Governors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risk of material misstatement of the financial statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most of significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulations precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communications.

Report on other legal and regulatory requirements

Based on our audit, we further report that in our opinion;

- a) proper books of account have been kept by the company as required by the companies act, 2017;
- b) the statement of financial position, Receipts & payments account, Income & Expenditure account, the statement of changes in equity together with the notes thereon have been drawn up in conformity with the companies act, 2017 and are in agreement with the books of account and returns;
- c) Investments made, expenditure incurred and guarantees extended during the year were for the purpose of the company's business.



CH. SHAFIQATUL ISLAM, CO.
(Chartered Accountants)


Date: OCTOBER 8, 2018
Place: GUJRANWALA

GUJRANWALA BUSINESS CENTER
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2018

		2018 Amount Rs.	2017 Amount Rs.
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets (as per Asset Schedule)	4	44,412,105	50,011,640
Intangible Assets		-	-
		44,412,105	50,011,640
Non-current Security Deposit (Electricity)		3,326,522	3,326,522
CURRENT ASSETS			
Security Deposits		7,500	7,500
Prepaid Insurance		-	150,461
Cash & Cash Equivalents	5	2,632,020	1,945,182
		2,639,520	2,103,143
TOTAL ASSETS		50,378,147	55,441,305
CAPITAL & LIABILITIES			
CAPITAL FUND			
	6	49,785,858	54,907,192
NON-CURRENT LIABILITIES			
		-	-
CURRENT LIABILITIES			
Provision for Income Tax Employees		-	664
Provision for Income Tax Suppliers		-	47,894
Provision for Sale Tax		9,138	27,373
Securities	7	583,151	458,183
		592,289	534,113
TOTAL CAPITAL FUNDS & LIABILITIES		50,378,147	55,441,305

Director 

Chief Executive 



GUJRANWALA BUSINESS CENTER

INCOME & EXPENDITURE

FOR THE YEAR ENDED JUNE 30, 2018

		2018 Amount Rs.	2017 Amount Rs.
<u>INCOME</u>			
	Notes		
Income from Booking of Stalls	8	1,755,944	1,115,000
Rental income		3,658,415	2,119,759
		5,414,359	3,234,759
<u>EXPENDITURES</u>			
Salaries, wages, janitorial and other benefits	9	1,915,790	1,195,308
CEO Compensation		36,000	56,571
Electricity Expense		563,146	647,031
Generator Fuel		41,476	221,038
Water Charges		23,750	36,580
Telephone Charges		94,328	31,443
Internet Charges		28,233	18,900
Travelling		39,190	171,606
Vehicle fuel		2,500	-
Honorarium		118,650	148,409
Stationery		36,034	57,376
Entertainment		107,158	162,238
Courier Charges		54,534	25,051
R & M of Vehicles		22,970	20,010
Website		16,000	17,100
Promotional		105,550	620,971
Consultancy Fees		96,000	9,500
Bank Charges		23,174	10,080
Misc. Expense		181,310	366,665
R&M Computers		14,480	9,275
R&M Building		148,775	498,856
R&M Lifts		94,150	-
Exhibition		914,498	-
Allowance for additional charge		108,000	-
Depriciation		5,599,536	2,456,664
Insurance Expense		150,461	-
		10,535,693	6,780,672
Surplus/ Deficit Before Taxation		(5,121,334)	(3,545,913)
Provision for Taxation			-
Surplus of Income over Expenditure		(5,121,334)	(3,545,913)

Director


Chief Executive



**GUJRANWALA BUSINESS CENTER
RECEIPTS & PAYMENTS
FOR THE YEAR ENDED JUNE 30, 2018**

		2018 Amount RS.	2017 Amount RS.
Receipts			
Security Deposits		199,968	-
Income	8	5,414,359	3,234,759
Advertisement cheque returned		-	625,860
		5,614,327	3,860,619
Less: Disbursements			
Salaries, wages, janitorial and other benefits	9	1,915,790	1,195,308
CEO Compensation		36,000	56,571
Electricity Expense		563,146	647,031
Generator Fuel		41,476	221,038
Water Charges		23,750	36,580
Telephone Charges		94,328	31,443
Internet Charges		28,233	18,900
Travelling		39,190	171,606
Vehicle fuel		2,500	-
Honorarium		118,650	148,409
Stationery		36,034	57,376
Entertainment		107,158	162,238
Courier Charges		54,534	25,051
R & M of Vehicles		22,970	20,010
Website		16,000	17,100
Promotional		105,550	620,971
Consultancy Fees		96,000	9,500
Bank Charges		23,174	10,080
Misc. Expense		181,310	291,730
R&M Computers		14,480	9,275
R&M Building		148,775	498,856
R&M Lifts		94,150	-
Exhibition		914,498	-
Allowence for additional charge		108,000	-
Security Paid		75,000	-
Taxation		66,793	-
		4,927,489	4,249,073
Total Disbursements		4,927,489	4,249,073
Surplus/(Deficit) of disbursements over receipts for the year		686,839	(388,454)
Add: Opening Cash & Balance		1,945,182	2,333,636
CASH & BANK BALANCE AS AT 30 JUNE		2,632,021	1,945,182


Director 


Chief Executive 



**GUJRANWALA BUSINESS CENTER
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2018**

	AMOUNT
CAPITAL AS ON DECEMBER 30, 2016	58,289,105
ADDITION IN CAPITAL:	
GCCI	140,000
US AID	24,000
SURPLUS/DEFICIT FOR THE YEAR	(3,545,913)
CLOSING CAPITAL	54,907,192
CAPITAL AS ON JUNE 30, 2017	54,907,192
ADDITION IN CAPITAL:	
GCCI	-
US AID	-
SURPLUS/DEFICIT FOR THE YEAR	(5,121,334)
CLOSING CAPITAL	49,785,858

Director 

Chief Executive 



1. STATUS AND NATURE OF BUSINESS

M/S GBC is incorporated under the Companies Ordinance 1984, (Now it is repealed as Companies Act 2017) and that the company is limited by Guarantee and not having share capital, Vide License No. 1040 dated 20th day of January, 2017 issued by securities & exchange commission of Pakistan.

GBC was established in June 2006 as a PSDP project jointly by SMEDA and Gujranwala Chamber of Commerce and Industry (GCCCI).

Engaged in business of providing space and facilities to the business community for product display, product marketing and exhibitors or any other activity to promote local business.

EXECUTED BY SMALL AND MEDIUM ENTERPRISES DEVELOPMENT AUTHORITY (SMEDA)

1. THE PROJECT AND ITS ACTIVITIES

The PC-1 of Gujranwala Business center (GBC), Gujranwala ("the project") was approved in the Central Department working party (CDWP) meeting held on 20 May 2006 at ministry of industries and production (MOIP). The Secretary (MOIP) granted the administrative approval and expenditure sanction of the project which was communicated to small and medium enterprises development authority (SMEDA) by way of letter dated 23 Jun 2006. The PC-1 was revised on 17 May 2007 and communicated to SMEDA by way of letter dated 31 December 2007.

Later, January 2017 GBC was registered as a company under Section 42 of companies ordinance 1984 (Now it is repealed as Companies Act 2017) established with the aim to provide a promotional and shared display facility for the industry of Gujranwala especially small and medium entrepreneurs.

SMEDA is the authority responsible for execution, operation and maintenance of the project and ministry of industries and production (MOIP) is the sponsor of the Project.

The major activities of the project are to facilitate and promote industrial development and help entrepreneur to get more exposure for business expansion, provide proper marketing resources, help to learn and adopt new communication technology. The support facilities include telephone exchange, internet services and janitorial and maintenance services.

1.1. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the Accounting and Financial reporting standards, as applicable in Pakistan and the requirements of the Companies Act, 2017. In case requirements differ, the provisions or directives of the Companies Act, 2017, shall prevail.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Accounting convention and basis of preparation

These financial statements have been prepared under the historical cost convention except as otherwise stated in the respective policies and notes given hereunder.



Significant Accounting Estimates and Judgments

The preparation of financial statements is in conformity with the Accounting and Financial Reporting Standards issued by the Institute of Chartered Accountants of Pakistan requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised.

Significant areas requiring the use of management estimates in these financial statements relate to the useful life of depreciable assets, provision for doubtful receivables and slow moving inventory. However, assumptions and judgments made by management in the application of accounting policies that have significant effect on the financial statements are not expected to result in material adjustment to the carrying amounts of assets and liabilities in the next year.

2.2 Property, plant and equipment

Owned

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses except freehold land and capital work in progress, which are stated at cost. Cost comprises acquisition, other directly attributable costs and non-refundable purchase taxes.

Depreciation is provided on reducing balance basis so as to write off the cost of an asset over its estimated useful life without taking into account any residual value. Depreciation on all additions / deletions is being charged on monthly basis. Full month's depreciation is charged on normal additions, while no depreciation is charged on items deleted during the month.

The assets' residual values and useful lives are reviewed at each financial year end and adjusted if impact on depreciation is significant. Normal repairs and maintenance are charged to income, while major renewals and improvements are capitalized.

- Gain and loss on disposal of fixed assets are included in other income/other expense.

2.3 Trade and other receivables

Trade and other receivables are stated at estimated realizable value after each debt has been considered individually. Where the payment of a debt becomes doubtful a provision is made and charged to the statement of comprehensive income.



2.4 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purpose of cash flow statement, cash and cash equivalents comprise cash in hand, cash with banks on current, saving and deposit accounts.

2.5 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an out flow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation.

2.6 Revenue

Revenue is recognized when it is probable that the economic benefits associated with the transaction will flow to the company and the amount of revenue and the associated cost incurred or to be incurred can be measured reliably.

2.7 Foreign exchange

Foreign currency transactions, if any, are converted at the exchange rate applicable at the transaction date. Monetary assets and liabilities are translated into rupees using exchange rates applicable at the balance sheet date. Gains and losses on settlement and translation at the end of the period are recognized in the profit & loss account.

2.8 Taxation

Income tax expense represents current tax expense, prior and deferred taxation. Provision for current taxation is based on taxable income at the current rates of taxation or minimum tax, after taking into account tax credits and tax rebates, if any; whichever is higher as under the Income Tax Ordinance, 2001.

Deferred tax is accounted for using the liability method in respect of all taxable temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse, based on tax rates that have been enacted.

2.9 Off-setting

Financial assets and liabilities are offset and the net amount is reported in the balance sheet, if the Company has a legally enforceable right to set off the recognized amounts and the Company intends to settle either on a net basis or realize the asset and settle the liability simultaneously.



2.10 Related Party Transactions

The related parties and associated undertakings comprise associated companies, companies in which directors are interested, directors and key management personnel. All transactions with related parties are made at arm's length prices determined in accordance with comparable uncontrolled price method. Parties are said to be related if they are able to influence the operating and financial decisions of the company and vice versa.

2.11 Contingencies and Commitments

Contingencies and commitments are accounted for when these become due.

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GUJRANWALA BUSINESS CENTER

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED JUNE 30, 2018

Notes

	2018 Amount Rs.	2017 Amount Rs.
5 CASH & CASH EQUIVALENTS		
NBP Gujranwala Revenue 2354-2	-	15,000
NBP 2273-0 Gujranwala	-	866
HBL #011387900588703	2,532,020	1,829,316
Cash in Hand	100,000	100,000
	<u>2,632,020</u>	<u>1,945,182</u>
6 CAPITAL FUND		
Govt. of pakistan (PSDP)	54,907,192	58,289,105
GCCI	-	140,000
US Aid	-	24,000
Surplus/Deficit For the year	(5,121,334)	(3,545,913)
	<u>49,785,858</u>	<u>54,907,192</u>
7 SECURITIES		
ICAP- Security	134,004	134,004
Super Impex- Security	-	75,000
Malti Line- Security	50,000	50,000
Yousaf Sons- Security	45,000	45,000
Izylogic- Security	139,968	120,000
Atif Javaid- Security	25,728	25,728
Rentention Money	8,451	8,451
ORBSTICK- Security	75,000	-
A Cubed Tech- Security	105,000	-
	<u>583,151</u>	<u>458,183</u>
8 INCOME		
Income from Booking of Stalls	1,755,944	1,115,000
Rental Income	3,658,415	2,119,759
	<u>5,414,359</u>	<u>3,234,759</u>
9 SALARIES & OTHER BENEFITS		
Basic salary	499,289	453,900
BOD Remuneration	435,000	-
House Rent	224,671	204,240
Conveyance Allowance	49,915	45,384
Utility Allowance	49,915	45,384
Janitorial Services	657,000	446,400
	<u>1,915,790</u>	<u>1,195,308</u>



**GUJRANWALA BUSINESS CENTER
FIXED ASSETS SCHEDULE
FOR THE YEAR ENDED JUNE, 2018**

SR #	Particulars	WDV AS AT 30 JULY 2017	Addition / (Deletion)	Disposal/ Donated	BALANCE AS AT 30 JUNE 2018	Depreciation FOR THE YEAR		Total Value AS AT 30 June 2018
						RATE	AMOUNT	
	BUILDINGS							
1	BUILDING	35,843,871	-	-	35,843,870.8	10%	3,584,387	32,259,484
2	BOQ AND STRUCTURAL DRAWINGS	479,759	-	-	479,758.9	10%	47,976	431,783
	OFFICE EQUIPMENTS							
3	Air Conditioners	1,690,366	-	-	1,690,366	10%	169,037	1,521,329
4	PHOTOCOPIER	59,704	-	-	59,704.2	10%	5,970	53,734
5	TELEPHONE EXCHANGE/FAX MACHINE	85,706	-	-	85,705.7	10%	8,571	77,135
6	MULTIMEDIA PROJECTOR	63,866	-	-	63,866	10%	6,387	57,480
7	TELEPHONE SET	6,292	-	-	6,292	10%	629	5,663
8	GENERATOR SET	2,064,288	-	-	2,064,288	10%	206,429	1,857,860
9	PASSANGER LIFTS	3,253,282	-	-	3,253,281.6	15%	487,992	2,765,289
10	HEATERS	4,562	-	-	4,562	10%	456	4,106
11	EXHAUST FAN/ELECTRIC FAN	2,583	-	-	2,583	10%	258	2,325
12	SECURITY SYSTEM	34,594	-	-	34,594	30%	10,378	24,216
13	SECURITY WALK THROUGH GATE	57,362	-	-	57,362	10%	5,736	51,626
	COMPUTERS							
14	COMPUTERS	467,816	-	-	467,816	30%	140,345	327,471
15	LAPTOP	120,225	-	-	120,225	30%	36,068	84,158
16	UPS	94,617	-	-	94,617	10%	9,462	85,155
17	CISCO SWITCH	41,886	-	-	41,886	10%	4,189	37,697
	FURNITURE & FIXTURE							
18	FIXTURE STALLS	5,058,113	-	-	5,058,112.5	15%	758,717	4,299,396
19	FURNITURE							
20	VEHICLES							
21	TOYOTA COROLLA	582,749	-	-	582,748.8	20%	116,550	466,199
	TOTAL	50,011,640	-	-	50,011,640		5,599,536	44,412,105
	TOTAL (2017)	52,468,304	-	-	52,468,304		2,456,664	50,011,640

CA

