

Annual Report for the Year ended 2022



# COMPANY INFORMATION

## Board of Directors

### Independent Directors

Zarar Kaleem  
Chairman  
Sh.Nouman Salahuddin  
Director

### Executive Directors

Rizwan Ahmad Bhatti  
Chief Executive Officer

### Non-Executive Directors

Waqar ud Din Siddiqui  
Director  
Raja Hussanien Javed  
Director  
Muhammad Javed Afzal  
Director

## Auditors

Shafaqat Hassan & Co  
Chartered Accountants

## Committee

### Audit Committee

Sh.Nouman Salahuddin -Chairman  
Muhammad Javed Afzal- Director

### Human Resource Committee

Zarar Kaleem -Chairman  
Waqar ud Din Siddiqui  
Director  
Raja Hassanien Javed - Director

### Procurement Committee

Zarar Kaleem -Chairman  
Raja Hassanien Javed- Director

### Nomination Committee

Waqar ud Din Siddiqui  
Chariman  
Zarar Kaleem- Director  
Sh.Nouman Salahuddin- Director

## Registered Office

Gujranwala Business Centre  
Opp.GCCI ,Aiwan-e Tijarat Raod  
Gujranwala

## 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, 2022.

### OVERVIEW

#### Introduction

Gujranwala Business Centre (GBC) is a public sector company registered under section 42 of Companies Act 2017 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 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 2021-22**

1) **GBC Facility outsource**

GBC Hall was outsource to different organization to conduct their events

2) **Providing space to SMEs/ Organization of Gujranwala**

Space was provided to different organizations on annual basis

### **Home Economics, Fine Arts, Fashion & Textile Designing Expo**

Home Economics, Fine Arts, Fashion & Textile Designing Expo was held at Gujranwala Business Centre from 6 October to 7 October, 2021. Total 46 stalls were displayed. 21 on Ground Floor and 25 on 1<sup>st</sup> Floor. The students of Fashion Design and Fine Arts displayed hand made products in the stalls.

#### **4) Made in Gujranwala Expo 2021**

Made in Gujranwala Expo was held at Gujranwala Business Centre from December 15 to December 23, 2021. Total 52 stalls were booked. 23 stall on Ground Floor and 29 stall on 1st Floor. Utensils, Cutlery, Sink, PPRC and PVC Pipe, Pumps, Shuttle, Engineering, Ceramics, Home Appliance, Paints, Cable, Rice, Plastic Furniture, Textile, Fans, Fabrics and Cosmetics sectors participated in the expo. Delegation from Chambers, FPCCI, High Official, Ambassador/ Commercial Counselor, Universities / Colleges and general public visited this expo.

#### **5) Career Expo 2022**

Career Expo organized with the collaboration of Gift University in Gujranwala Business Centre on January 20, 2022. Different companies participated in this expo and display their stalls. They arranged job interview for students.

### **Training programs/Capacity Building.**

#### **o Customer Relationship Management**

A workshop on Customer Relationship Management was conducted on August 11, 2021, and 18 participants attend this workshop.

#### **o Selling on Amazon**

A workshop on Selling on Amazon was conducted on August 17, 2021 and 12 participants attend this workshop.

#### **o E-Filing of Income Tax & Sales Tax Return**

A helpdesk on E-Filing on Income Tax & Sales Tax Return on September 9, 2021 and 17 participants attend this helpdesk.

#### **o SME Financing**

Seminar on SME Financing was online conducted on September 23, 2021 and 30 participants attend this seminar by zoom link.

#### **o Effective Business Communication Skills**

A workshop on Effective Business Communication Skills was conducted on December

09, 2021 and 29 participants attend this helpdesk.

o **Social Media Marketing (Level 2)**

A workshop on Social Media Marketing (Level 2) was conducted on January 31, 2022 and 30 participants attend this workshop.

o **Distribution and Networking Techniques**

A helpdesk on Distribution and Networking Techniques was conducted on February 15, 2022 and 20 participants attend this helpdesk.

o **Starting and Media Retail and Distribution Business**

A workshop on Starting and Media Retail and Distribution was conducted on March 17, 2022 and 18 participants attend this workshop.

o **How to Sell on Amazon from Pakistan**

A workshop on How to Sell on Amazon from Pakistan was conducted on June 04, 2022 and 25 participants attend this helpdesk.

### OPERATING RESULTS

Your Company has a net Surplus of Rs. 0.733 million for the year 2021-22 as compared to net deficit of Rs. 1.575 million in 2020-21.

The key financial figures have been tabulated as follows

	Year Ended June 30, 2021	Year Ended June 30, 2022
	Rupees	Rupees
(Deficit)/ Surplus) before Tax	(1,575,236)	733,828
Taxation	-	-
	-	-
<b>Surplus(Deficit) after Tax</b>	<b>(1,575,236)</b>	<b><u>(733,828)</u></b>

### EARNING PER SHARE

The company is registered u/s 42 of Companies Act 2017 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 Act 2017 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
	<b>Non-Executive Directors:</b>		
1	Joint Secretary, Ministry of Industries and Production	4	4
2	GM, (Out Reach), SMEDA	4	4
3	Provincial Chief, SMEDA	4	4
	<b>Executive Directors:</b>		
4	CEO	4	2
	<b>Independent Directors:</b>		
5	Mr. Zarar Kaleem	4	4
6	Mr. Sheikh Nouman Salahuddin	4	3

## FEE PAID TO BOARD MEMBERS FOR BOARD & COMMITTEE MEETINGS

S N	Nme	Amount
<b>Board Meeting</b>		
1	Joint Secretary, Ministry of Industries and Production	60,000
2	GM, (Out Reach), SMEDA	60,000
3	Provincial Chief, SMEDA	60,000
4	CEO	30,000
5	Mr. Zarar Kaleem	60,000
6	Mr. Sheikh Nouman Salahuddin	45,000
<b>Committee Meetings</b>		
1	Provincial Chief, SMEDA	30,000
2	Mr. Sheikh Nouman Salahuddin	30,000
<b>Annual General Meeting</b>		
1	Joint Secretary, Ministry of Industries and Production	15000
2	GM, (Out Reach), SMEDA	15,000
3	Provincial Chief, SMEDA	15,000
4	Mr. Zarar Kaleem	15,000
5	Mr. Sheikh Nouman Salahuddin	15,000

### 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 there from 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.

## **AUDITORS**

The present auditors M/s Shafaqat Hassan & Co., Chartered Accountants

## **AUDIT COMMITTEE**

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

- Mr. Sheikh Nouman Salahuddin
- Mr. Muhammad Javed Afzal



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- Mr. Sheikh Nouman Salahuddin
- Mr. Muhammad Javed Afzal

## Statement of Financial Position

For the year ended June 30, 2022

	2021	2022
	(Rs.)	(Rs.)
<b>Assets</b>		
Non-Current Assets	34,479,218	30,967,410
Current Assets	10,115,490	15,284,043
<b>Total Assets</b>	<b><u>44,594,708</u></b>	<b><u>46,251,453</u></b>
<b>Capital &amp; Liabilities</b>		
<b>Capital Fund</b>	<b>42,641,764</b>	<b>43,375,592</b>
Non Current Liabilities	1,419,696	1,749,157
Current Liabilities	533,248	1,126,704
<b>Total Capital Fund and Liabilities</b>	<b><u>44,594,708</u></b>	<b><u>46,251,453</u></b>

## 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

  
Director



## INDEPENDENT AUDITOR'S REPORT

To the members of GUJRANWALA BUSINESS CENTRE  
Report on the Audit of the Financial Statements as of 30 June 2022

### Opinion

We have audited the annexed financial statements of GUJRANWALA BUSINESS CENTRE, which comprise the statement of financial position as at 30 June 2022, the statement of income and expenditure, the statement of changes in funds, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, 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 the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of income and expenditure, the statement of comprehensive income, the statement of changes in fund, the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at 30 June 2022 and of the deficit, the changes in funds and its cash flows for the year then ended.

### 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.

### Information Other than the Financial Statements and Auditors Report Thereon

Management is responsible for the other information. The other information comprises Director's report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this respect.

### Responsibilities of Management and Those Charged with Governance for the Financial Statement

Management is responsible for the preparation and fair presentation of financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of the Companies Act, 2017 (XIX of 2017) 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.
- Evaluate the overall presentation, structure and content of financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

The engagement partner on the audit resulting in this independent auditor's report is Shafaqat Ali.

  
SHAFAQAT HASSAN & CO  
(Chartered Accountants)

Date: October 26<sup>th</sup>, 2022  
Place: GUJRANWALA

UDIN: AR2022104841WSDc3vZ



**GUJRANWALA BUSINESS CENTRE  
STATEMENT OF FINANCIAL POSITION  
AS AT JUNE 30, 2022**

	Notes	2022 Rupees	2021 Rupees
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Operating Fixed Assets	4	27,633,388	31,145,196
Security Deposits		3,334,022	3,334,022
		<b>30,967,410</b>	<b>34,479,218</b>
<b>Current Assets</b>			
Short term investment	5	7,500,000	-
Trade and other receivables	6	640,239	284,146
Advances, deposits and prepayments	7	1,682,430	1,182,804
Cash and bank balances	8	5,461,374	8,648,540
		<b>15,284,043</b>	<b>10,115,490</b>
<b>Total Assets</b>		<b><u>46,251,453</u></b>	<b><u>44,594,708</u></b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
Deferred Liabilities	9	614,012	473,923
Securities against rent	10	1,135,145	945,773
		1,749,157	1,419,696
<b>Current Liabilities</b>			
Creditors, accrued and other liabilities	11	1,126,704	533,248
<b>Total Liabilities</b>		<b><u>2,875,861</u></b>	<b><u>1,952,944</u></b>
Contingencies and commitments	12		
<b>NET ASSETS</b>		<b><u>43,375,592</u></b>	<b><u>42,641,764</u></b>
<b>Represented By:</b>			
Capital Fund		43,375,592	42,641,764
<b>Net Funds</b>		<b>43,375,592</b>	<b>42,641,764</b>

-The annexed notes from 1 to 18 form an integral part of these financial statements.

-Audit Report of even date is attached herewith.

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Chief Executive

SH&CO

**GUJRANWALA BUSINESS CENTRE**  
**STATEMENT OF INCOME & EXPENDITURE**  
**FOR THE YEAR ENDED JUNE 30, 2022**

	Notes	2022 Rupees	2021 Rupees
<b>Income</b>			
Rental Income		7,274,120	6,186,348
Stalls Booking Income		2,080,000	-
Events Booking Income		1,140,864	813,500
Profit on debt		345,720	-
Other Income	13	165,735	9,138
		<b>11,006,439</b>	<b>7,008,986</b>
<b>Expenditure</b>			
Administrative and general expenses	14	10,257,504	8,578,629
Finance cost	15	15,107	5,593
		<b>10,272,611</b>	<b>8,584,222</b>
<b>Surplus before tax</b>		<b>733,828</b>	<b>(1,575,236)</b>
Taxation	16	-	-
<b>Surplus after tax</b>		<b>733,828</b>	<b>(1,575,236)</b>

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 Director

  
 Chief Executive

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**GUJRANWALA BUSINESS CENTRE  
STATEMENT OF CHANGES IN FUNDS  
AS AT JUNE 30, 2022**

Particulars	Net Capital Fund
Balance as on July 01, 2020	44,217,000
(Deficit) for the period ending june 30,2021	(1,575,236)
<b>Balance as on June 30, 2021</b>	<b>42,641,764</b>
Surplus for the period ending june 30,2022	733,828
<b>Balance as on June 30, 2022</b>	<b>43,375,592</b>

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Director



Chief Executive

**GUJRANWALA BUSINESS CENTRE  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2022**

	Note	2022 Rupees	2021 Rupees
<b>Cash flows from operating activities</b>			
Surplus for the year		733,828	(1,575,236)
Adjustments for non-cash income and expenses:			
Provision for gratuity	14	140,089	119,491
Depreciation of property and equipment	4	3,511,810	3,991,722
Finance costs		15,107	5,593
		<u>4,400,834</u>	<u>2,541,570</u>
<b>Changes in working capital:</b>			
Trade and other receivables	6	(356,093)	259,976
Advances, deposits & Other receivables	7	130,000	(180,000)
Trade and other payables	11	593,456	288,940
Cash generated from operations		<u>4,768,197</u>	<u>2,910,486</u>
Income taxes paid		(629,626)	(374,614)
Finance cost paid		(15,107)	(5,590)
<b>Net cash inflow from operating activities</b>		<u><b>4,123,462</b></u>	<u><b>2,530,282</b></u>
<b>Cash flows from investing activities</b>			
Investment in short term deposit		(7,500,000)	-
<b>Net cash inflow from investing activities</b>		<u><b>(7,500,000)</b></u>	<u>-</u>
<b>Cash flows from financing activities</b>			
Securities received against rent	10.1	189,372	135,372
Securities repaid		-	(30,030)
Prior Period Adjustment		-	-
<b>Net cash inflow from financing activities</b>		<u><b>189,372</b></u>	<u><b>105,342</b></u>
Net increase/(decrease) in cash and cash equivalents		(3,187,166)	2,635,624
Cash and cash equivalents at the beginning of the year		8,648,540	6,012,916
<b>Cash and cash equivalents at the end of the year</b>		<u><b>5,461,374</b></u>	<u><b>8,648,540</b></u>

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-The annexed notes from 1 to 18 form an integral part of these financial statements.  
-Audit Report of even date is attached herewith.

  
Director

  
Chief Executive

# **GUJRANWALA BUSINESS CENTER**

## **Notes to the Financial Statements**

**For the year ended June 30, 2022**

### **1. STATUS AND NATURE OF BUSINESS**

GBC was established in June 2006 as a Public Sector Development Program (PSDP) project jointly by Small & Medium Enterprises Development Authority (SMEDA) and Gujranwala Chamber of Commerce and Industry (GCCCI).

Later, January 2017 GBC was registered under Section 42 of Companies Act, 2017 as a company limited by guarantee. The registered office of the company is situated opposite GCCCI, Awain-E-Tijarat Road, Gujranwala.

It is 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.

### **2. BASIS OF PREPARATION**

#### **2.1 Statement of Compliance**

These financial statements have been prepared in accordance with the Accounting and Reporting standards as applicable in Pakistan. The approved accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards for Small and Medium-sized Entities (IFRS for SMEs issued by the International Accounting Standards Board (IASB) as notified under the Companies Act 2017.
  - Accounting Standards for Not for Profit Organizations (Accounting Standard for NPOs) issued by the institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and
  - Provision of and directives issued under the Companies Act, 2017.
- Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS for SMEs or the Accounting Standard for NPOs, the provisions of directives issued under the Companies Act, 2017 have been followed.
- The Accounting policy of the company has been changed from cash to accrual basis of accounting during the year to give it more true and fair of the conduct of the business of the company.
  - Depreciation rates have been revised in accordance with Income tax ordinance 2001.



# **GUJRANWALA BUSINESS CENTER**

## **Notes to the Financial Statements**

**For the year ended June 30, 2022**

### **2.2 Accounting Convention**

These Financial Statements have been prepared under the historical cost convention unless otherwise specifically stated.

### **2.3 Functional and Presentation Currency**

These financial statements are presented in Pakistan Rupee (Rs. / Rupees) which is the Company's functional currency. Amounts presented in the financial statements have been rounded off to the nearest of (Rs. / Rupees), unless otherwise stated.

### **2.4 Key Judgments and Estimates**

The preparation of financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. In addition, it requires management to exercise judgement in the process of applying the Company's accounting policies. The areas involving a high degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are documented in the following accounting policies and notes, and relate primarily to:

- Useful lives, residual values and depreciation method of property, plant and equipment - Note 4
- Provision for doubtful trade receivables
- Estimation of contingent liabilities

## **3. SUMMARY OF ACCOUNTING POLICIES**

### **3.1 Property, plant and equipment**

#### **Initial Measurement**

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if:

- A. it is probable that future economic benefits associated with the item will flow to the entity; and
- B. the cost of the item can be measured reliably.

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# **GUJRANWALA BUSINESS CENTER**

## **Notes to the Financial Statements**

**For the year ended June 30, 2022**

### **Subsequent Recognition**

Subsequent cost are included in asset's carrying value or recognised as separate asset, as appropriate, only when it is probable the future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All Minor renewals, replacements, maintenance, repairs and gain/loss on disposal of fixed assets if any are charged to Income & Expenditure accounts.

### **Subsequent Measurement**

Items of property, plant and equipment other than land, buildings, leasehold improvements and capital work in progress are measured at cost less accumulated depreciation and impairment loss (if any).

Land, buildings and leasehold improvements are carried at cost less accumulated depreciation and impairment loss (if any).

Capital work in progress is stated at cost less impairment loss (if any).

### **Depreciation**

Depreciation is charged so as to write off the cost amount of assets (other than land and capital work in progress) over their estimated useful lives, using the reducing balance method at rates specified in note 4 to the financial statements. Depreciation is charged from the date of acquisition depending on the number of days asset is available for use and no depreciation is charged from the date of disposal.

The property, plant and equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease term.

### **Impairment**

Where the carrying amount of asset exceeds its estimated recoverable amount it is written down immediately to its recoverable amount.

### **Judgment and Estimates**

The useful lives, residual values and depreciation method are reviewed on a regular basis. The effect of any changes in estimate is accounted for on a prospective basis.

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# **GUJRANWALA BUSINESS CENTER**

## **Notes to the Financial Statements**

**For the year ended June 30, 2022**

### **3.2 Trade and other receivables** **Measurement**

Trade and other receivables are recognized and carried at transaction price less an allowance for impairment.

#### **Impairment**

A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is recognized in the statement of profit or loss. Bad debts are written-off in the statement of profit or loss on identification.

#### **Judgments and estimates**

The allowance for doubtful debts of the Company is based on the aging analysis and management's continuous evaluation of the recoverability of the outstanding receivables. In assessing the ultimate realization of these receivables, management considers, among other factors, the creditworthiness and the past collection history of each customer.

### **3.3 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.

### **3.4 Accrued and other liabilities**

Accrued and other liabilities are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received.

### **3.5 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.

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# **GUJRANWALA BUSINESS CENTER**

## **Notes to the Financial Statements**

**For the year ended June 30, 2022**

### **3.6 Revenue**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably. Revenue is measured at the fair value of consideration received or receivable.


### **3.7 Taxation**

Provision for taxation is recognized based on taxable income, if any, for the year determined in accordance with prevailing Law and regulation. The organization has applied for registration as a non-profit organization under section 2(36) of the Income Tax Ordinance, 2001 to the Commissioner Inland Revenue as it is working as non-profit organization. The income of the organization is subject to 100% tax credit under section 100(C) of the Income Tax Ordinance, 2001.

4 GUJRANWALA BUSINESS CENTRE  
FIXED ASSETS SCHEDULE  
FOR THE YEAR ENDED JUNE, 2022

PARTICULARS	COST			ACCUMULATED DEPRECIATION				W.D.V	
	BALANCE AS AT 01-07-2021	ADDITION	(DELETION)	BALANCE AS AT 30-06-2022	ACCUMULATED DEPRECIATION AT 01-07-2021	RATE %	For the Year	TOTAL DEPRECIATION AS AT 30-06-2022	BALANCE AS AT 30-06-2022
Land & Building	54,147,025	-	-	54,147,025	30,315,091	10%	2,383,193	32,698,284	21,448,741
Office Equipments	11,042,618	-	-	11,042,618	6,834,176	15%	631,265	7,465,441	3,577,177
Computers	1,323,560	-	-	1,323,560	1,112,714	30%	63,255	1,175,969	147,591
Furniture & Fixtures	7,707,600	-	-	7,707,600	5,067,236	15%	396,055	5,463,291	2,244,309
Vehicles	908,180	-	-	908,180	654,568	15%	38,042	692,610	215,570
<b>Total 2022</b>	<b>75,128,983</b>	<b>-</b>	<b>-</b>	<b>75,128,983</b>	<b>43,983,785</b>		<b>3,511,810</b>	<b>47,495,595</b>	<b>27,633,388</b>

  
Director

  
Chief Executive

SH&CO

**GUJRANWALA BUSINESS CENTRE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

	Note	2022 Rupees	2021 Rupees
<b>5 Short term investment</b>			
Term deposit receipt		7,500,000	-
		<u>7,500,000</u>	<u>-</u>
<b>6 Trade &amp; other receivables</b>			
Receivable against rent		338,026	71,585
Receivable against electricity		302,213	212,561
		<u>640,239</u>	<u>284,146</u>
<b>7 Advances, deposits and prepayments</b>			
Advance to employee		50,000	180,000
Advance income tax		1,632,430	1,002,804
		<u>1,682,430</u>	<u>1,182,804</u>
<b>8 Cash and bank balances</b>			
Cash at bank			
Saving Account		-	-
Current Account		5,432,128	8,630,559
		<u>5,432,128</u>	<u>8,630,559</u>
Cash in Hand		29,246	17,979
		<u>5,461,374</u>	<u>8,648,538</u>
<b>9 Deferred Liabilities</b>			
Gratuity payable	9.1	614,012	473,923
<b>9.1</b>			
The company has a policy to recognize gratuity equals to the last month salary of permanent staff in respect of each year.			
<b>10 Securities</b>			
Opening Balance		945,773	840,431
Add: Addition during the year	10.1	189,372	135,372
		<u>1,135,145</u>	<u>975,803</u>
Less: Paid during the year		-	(30,030)
		<u>1,135,145</u>	<u>945,773</u>
<b>10.1 Addition in Securities</b>			
Coworker		-	105,300
KUC Builders (Pvt)Ltd.		-	30,072
Hashtronics		123,750	-
Trade Trends		65,622	-
		<u>189,372</u>	<u>135,372</u>
<b>11 Creditors, accrued and other liabilities</b>			
Accrued liabilities	11.1	471,891	498,148
Advance Rent		654,813	35,100
		<u>1,126,704</u>	<u>533,248</u>
<b>11.1 Accrued liabilities</b>			
Electricity Payable		359,008	213,927
Salaries Payable		-	177,491
Communication Charges Payable		-	8,930
Courier Charges Payable		3,037	-
Audit Fee Payable		109,846	97,800
		<u>471,891</u>	<u>498,148</u>
<b>12 Contingencies and commitments</b>			
There are no contingencies and commitments during the year ended june 30, 2022 (2021: Nil)			

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**GUJRANWALA BUSINESS CENTRE  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2022**

	Note	2022 Rupees	2021 Rupees
<b>13 Other Income</b>			
Electricity Collection Income			-
Sales tax payable - written back	13.1	165,735	-
		<u>-</u>	<u>9,138</u>
		<u>165,735</u>	<u>9,138</u>
<b>13.1</b>	This is extra amount collected from tenants against electricity charges.		
<b>14 Administrative and general expenses</b>			
Key management personnel remuneration			
Salaries, wages and other benefits	14.1	603,200	519,290
Gratuity Expense	14.2	2,424,592	2,005,392
Rent, Rates & Taxes		140,089	119,491
Utilities		28,060	-
Communication	14.3	1,226,519	908,762
Travelling and conveyance	14.4	74,082	68,223
Honorarium		25,680	20,260
Printing and stationery		98,631	-
Entertainment		58,310	40,860
Postage and courier		91,366	87,944
Repair & Maintenance		28,321	13,764
Website		456,751	392,647
Promotional		47,352	57,892
Legal & Professional Charges		4,073	115,706
Auditor Remuneration		120,000	120,000
Exhibition	14.6	109,846	97,800
Depreciation		1,203,687	-
Miscellaneous	4	3,511,810	3,991,722
		<u>5,135</u>	<u>18,876</u>
		<u>10,257,504</u>	<u>8,578,629</u>
<b>14.1 Key management personnel remuneration</b>			
CEO compensation	14.1.1	153,200	129,290
Members participation fee	14.1.2	450,000	390,000
		<u>603,200</u>	<u>519,290</u>
<b>14.1.1</b>	This includes monthly compensation paid to CEO for attending office.		
<b>14.1.2</b>	This includes participation fee paid to board members for attending board meetings during the year.		
<b>14.2 Salaries, wages and other benefits</b>			
Administrative salaries		1,664,918	1,389,848
Janitorial wages		759,674	615,544
		<u>2,424,592</u>	<u>2,005,392</u>
<b>14.3 Utilities</b>			
Electricity charges		1,122,732	835,998
Generator fuel		67,497	42,534
Gas charges		10,000	6,000
Water charges		21,490	16,430
Sanitation charges		1,800	7,800
		<u>1,226,519</u>	<u>908,762</u>
<b>14.4 Communication</b>			
Telephone charges		57,390	54,710
Internet charges		16,692	13,513
		<u>74,082</u>	<u>68,223</u>

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**GUJRANWALA BUSINESS CENTRE  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2022**

	Note	2022 Rupees	2021 Rupees
<b>14.5 Repair &amp; Maintenance</b>			
Building repair & maintenance		328,601	303,541
Computers repair & maintenance		9,100	9,960
Lifts repair & maintenance		48,750	63,600
Vehicle repair & maintenance		12,940	15,546
Generator repair & maintenance		57,360	-
		<u>456,751</u>	<u>392,647</u>
<b>14.6 Auditor Remuneration</b>			
Audit Fee		105,000	97,800
Out of pocket expenses		4,846	-
		<u>109,846</u>	<u>97,800</u>
<b>15 Finance cost</b>			
Bank service charges		15,107	5,593
<b>16 Taxation</b>			
	16.1	-	-

16.1 The organization is Non-profit organization incorporated under section 42 of the Companies Act, 2017 and eligible for 100% tax credit under section 100(C) of the Income Tax Ordinance, 2001.

**17 Date of authorization**

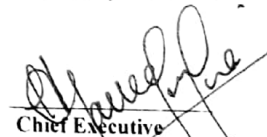
These financial statements were authorized for issue as on 26-OCT-2022 by the board of directors of the company.

**18 Generals / Correspondings**

-Figures have been rounded off to the nearest rupee.

-Comparative figures are re-classified, wherever necessary, for the purpose of comparison and better presentation, the effect of which is not material.

  
Director

  
Chief Executive

SH&CO