

**FINANCIAL STATEMENTS**

**PAKISTAN HOTELS  
ASSOCIATION**

**FOR THE YEAR  
ENDED JUNE 30, 2016**

Telephone : 34386649 – 34386830 Fax : 34397007

**SAJID & COMPANY.**  
CHARTERED ACCOUNTANTS

609, Kawish Crown, Fine House,  
Shaharah-e-Faisal,  
Karachi

## EXECUTIVE COMMITTEE MEMBER'S REPORT

The Executive Committee Members of your Association have pleasure in submitting their report on audited statements of accounts for the year ended June 30, 2016.

	<b>2016</b> <b><u>Rupees</u></b>
<b>FINANCIAL HIGHLIGHTS</b>	
Profit for the year	47,044
Un-appropriated profit brought forward	<u>1,571,882</u>
	<u>1,618,926</u>

- a) The financial statements have been drawn up in conformity with the requirements of the Companies Ordinance, 1984 and present fairly state of its affairs, operating results and cash flow.
- b) Proper books of accounts have been maintained in the manner required under Companies Ordinance, 1984.
- c) Appropriate accounting policies have been consistently applied in the preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- d) International Financial Reporting Standards, as applicable in Pakistan have been followed in preparation of the financial statements.
- e) The internal control system is being implemented and monitored.
- f) The present Auditors M/s. Sajid and Company, Chartered Accountants, being eligible, offers themselves for re-appointment.



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**Chairman**



# SAJID & CO.

## Chartered Accountants

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Ph: 021-34386649 - 34386830 Fax: 021-34397007 - Go CDMA: 38590112  
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### Auditors' Report to the Executive Committee Members

#### **Introduction**

We have audited the annexed balance sheet of **Pakistan Hotels Association** as at **June 30, 2016** and related Profit and Loss account and cash flow statement 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.

#### **Members' Responsibility for the Financial Statements**

It is the responsibility of the Association'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.

#### **Auditors' Responsibility**

We conduct 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 include 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-

#### **Opinion**

- (a) in our opinion, proper books of accounts have been kept by the Association as required by the Companies Ordinance, 1984;
- (b) in our opinion-
  - (i) the balance sheet and profit and loss 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 accounts and are further in accordance with accounting policies consistently applied;
  - (ii) the expenditure incurred during the year was for the purpose of the Association's business; and
  - (iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Association;
- (c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, Profit and Loss account and cash flow statement 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 Association's affairs as at **June 30, 2016** and of the profit, its cash flows for the year then ended; and
- (d) in our opinion Zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Association and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

Chartered Accountants

Karachi  
Date:

  
10 8 SEP 2016





**PAKISTAN HOTELS ASSOCIATION**  
**BALANCE SHEET AS AT JUNE 30, 2016**

	Note No.	2016 Rupees	2015 Rupees
<b>FUND AND LIABILITIES</b>			
Retained Earning	3	1,618,927	1,571,882
Deferred Liabilities	4	538,200	440,375
<b>Trade and Other Payable</b>			
Trade Creditors	5	1,343,560	1,314,580
Provision for taxation	14	22,139	110,188
		1,365,699	1,424,768
		<u>3,522,825</u>	<u>3,437,025</u>

	Note No.	2016 Rupees	2015 Rupees
<b>ASSETS</b>			
<b>Property Plant &amp; Equipment</b>			
At cost less accumulated depreciation	6	36,119	33,505
<b>Current Assets</b>			
Short term investment	7	2,000,000	2,000,000
Subscription receivable	8	35,000	76,250
Prepayment And Other Receiv	9	32,933	37,562
Advance Income Tax	10	99,591	116,299
Income Tax Refundable	11	6,111	-
Cash and Bank Balance	12	1,313,071	1,173,409
		3,486,706	3,403,520
		<u>3,522,825</u>	<u>3,437,025</u>

The annexed notes 1 to 16 form an integral part of these financial statements.

  
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**Chairman**

  
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**Secretary**

SLA.

**PAKISTAN HOTELS ASSOCIATION  
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED JUNE 30, 2016**

	Note No.	<b>2016 Rupees</b>	2015 Rupees
<b>Income</b>			
Annual subscription		1,761,700	1,719,774
Admission fee income		85,000	85,000
<b>Expenditure</b>			
Salaries and allowances		967,200	873,600
Staff gratuity		97,825	45,825
Traveling and conveyance		126,990	4,470
Telephone Expense		83,530	73,430
Electricity charges		39,651	33,988
Postage, telegram		12,126	7,710
Printing and stationery		14,435	19,139
Professional Charges		5,610	38,000
Audit fee		30,000	30,000
Out of pocket expense		10,000	8,000
Bank charges		5,869	11,655
Welfare		8,265	4,181
Repair and maintenance		20,420	28,910
Office rent/courier rent		191,800	157,540
Petrol expenses		144,000	144,000
Depreciation		13,686	12,896
Entertainment expenses		2,490	1,893
Charity and donation		3,000	3,130
Miscellaneous expenses		9,712	9,587
Fees And Subscription		55,486	56,310
Water charges		12,000	20,000
Advertisement / Website Designing		51,000	49,230
		<u>1,905,095</u>	<u>1,633,494</u>
Net (Loss)/ profit for the year		(58,395)	171,280
Other Income	13	<u>127,578</u>	<u>162,622</u>
Profit before taxation		69,183	333,902
<b>Provision for taxation</b>			
Current Year		22,139	110,188
Previous Year			120,694
Profit/(Loss) after taxation		<u><u>47,044</u></u>	<u><u>103,021</u></u>

The annexed notes 1 to 16 form an integral part of these financial statements.

**Chairman**

**Secretary**

**PAKISTAN HOTELS ASSOCIATION**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED JUNE 30, 2016**

	<b>2016</b>	<b>2015</b>
	<b><u>Rupees</u></b>	<b><u>Rupees</u></b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit for the year (Excess of Income over Expenditure)	69,183	333,902
Add : Depreciation	13,686	12,896
Provision for Gratuity	97,825	45,825
Less: Previous year Taxation	-	(114,828)
Income Tax Paid	(99,591)	(116,299)
Adjustment	-	(44,315)
Profit after adjustments	81,103	117,181
<b>Effects On Cash Flow Due To Working Capital</b>		
Decrease / (Increase) in Prepayments and Other Receivable	4,629	7,378
(Increase) / Decrease in Subscription receivable	41,250	(18,750)
Increase in Trade and other payable	28,980	70,351
	74,859	58,979
Cash Generation From Operating Activities	155,962	176,160
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Financial Asset Net	(16,300)	(33,900)
Net Cash flow from Investing activity	(16,300)	(33,900)
Net Increase in cash & cash equivalent	139,662	142,260
Cash & bank equivalent in the beginning of the year	1,173,409	1,031,149
Cash & bank balance in the end of the year	1,313,071	1,173,409

The annexed notes 1 to 16 form an integral part of these financial statements.

Chairman

Secretary

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