

6.2.1 The deductions during the year represent amount retained at the rate of 5% from the running bills of the contractor against construction of roads and sewerage system in block 'G' of the Society.

6.3 Accrued expenses

The beginning balance represents salaries payable for 2008 which were paid in 2009. The expenses payable for the year 2009 were not booked by the Society, which in our opinion is not in accordance with the generally accepted accounting principles. It is suggested that same be booked so that the current surplus of the Society depict the true state of affairs of the Society.

6.4 Withholding taxes payable

This represents the tax deducted by the Society in accordance with the provisions of Income Tax Ordinance, 2001 at the time of making payments against supply of goods and services, and is payable to the government treasury.

7. PROVISION FOR TAXATION

This is a brought forward balance without any movement during the year. Moreover, we were not provided with the returns of total income filed by the Society, thus we are unable to comment on the same.

8. OPERATING FIXED ASSETS

The detailed movement in operating fixed assets is provided in the financial statements of the Society.

9. LAND

a) The movement during the year is as under:

	2009 Rupees	2008 Rupees
Balance at beginning of the year	70,207,500	70,207,500
Add: Expenditure incurred during the year	425,550	-
Balance at end of the year	70,633,050	70,207,500

b) The expenditure during the year represents commission paid on transfer of plots during the year, which in our opinion should be charged to income of the Society instead of capitalizing the same.

10. LAND DEVELOPMENT

a) The movement during the year is as under:

	2009 Rupees	2008 Rupees
Balance at beginning of the year	78,840,787	68,885,677
Add: Expenditure incurred during the year	27,293,977	9,955,110
Balance at end of the year	106,134,764	78,840,787

