



LAHORE WASTE MANAGEMENT COMPANY

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012**

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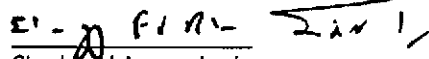
AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of LAHORE WASTE MANAGEMENT COMPANY (the Company) as at 30 June 2012, the related income and expenditure account, cash flow statement, statement of comprehensive income and statement of fund 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 except for changes as stated in note 4.1 of these financial statements, with which we concur;
 - 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, income and expenditure account, cash flow statement, statement of comprehensive income and statement of fund 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 30 June 2012 and of the deficit, its cash flows, comprehensive income and changes in fund for the year then ended; and
- d) in our opinion, no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).


Chartered Accountants

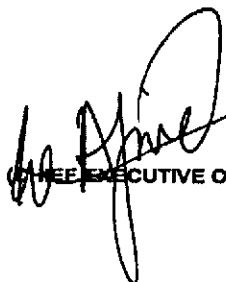
Engagement Partner: Naseem Akbar

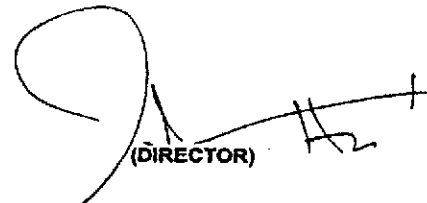
Lahore: 03 November 2012

LAHORE WASTE MANAGEMENT COMPANY
(a Company set up under section 42 of the Companies Ordinance, 1984)
BALANCE SHEET AS AT 30 JUNE 2012

ASSETS	Note	2012 Rupees	2011 Rupees
Non-current assets			
Property, plant and equipment	6	332,171,148	40,387,887
Intangible assets	7	532,546	267,470
Long term advances	8	2,548,769,833	-
Long term deposits		<u>2,107,875</u>	<u>1,501,875</u>
		<u>2,883,581,202</u>	<u>42,157,012</u>
Current assets			
Store and spares		50,166,150	-
Advances	9	510,254,142	1,153,989
Short term prepayments		500,625	600,625
Other receivables	10	20,248,078	-
Taxation - net		9,240,909	1,582,055
Cash and bank balances	11	637,694,129	123,359,804
		<u>1,228,104,033</u>	<u>126,596,473</u>
TOTAL ASSETS		<u><u>4,111,685,235</u></u>	<u><u>168,753,485</u></u>
FUND AND LIABILITIES			
Fund			
General fund		(297,465,258)	(80,824,782)
Non-current liabilities			
Deferred grants	12	1,788,694,130	-
Long term financing	13	<u>2,471,545,870</u>	<u>230,000,000</u>
		4,260,240,000	230,000,000
Current liabilities			
Trade and other payables	14	148,910,493	19,335,801
Interest payable on long term financing		-	242,466
		<u>148,910,493</u>	<u>19,578,267</u>
TOTAL FUND AND LIABILITIES		<u><u>4,111,685,235</u></u>	<u><u>168,753,485</u></u>
CONTINGENCIES AND COMMITMENTS	15	-	-

The annexed notes from 1 to 28 form an integral part of these financial statements.

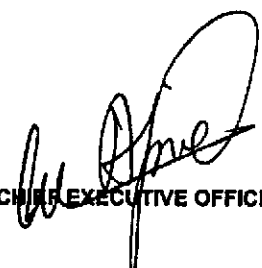

(Chief Executive Officer)

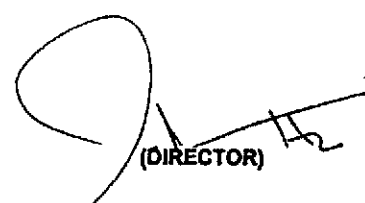

(DIRECTOR)

LAHORE WASTE MANAGEMENT COMPANY
(a Company set up under section 42 of the Companies Ordinance, 1984)
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2012

	Note	2012 Rupees	2011 Rupees
Income from services	16	43,850,000	21,000,000
Amortization of grants	17	<u>2,948,028,131</u>	-
		2,991,878,131	21,000,000
Direct expenses	18	<u>(3,117,741,088)</u>	<u>(69,230,803)</u>
Gross deficit		(125,864,955)	(48,230,803)
Administrative expenses	19	<u>118,006,595</u>	<u>41,021,645</u>
		(241,871,550)	(89,252,448)
Other operating income	20	<u>45,164,573</u>	<u>9,381,414</u>
		(198,708,977)	(79,891,034)
Finance cost	21	<u>19,933,499</u>	<u>258,803</u>
Excess of expenditure over income before taxation		(216,640,476)	(80,149,637)
Taxation	22	-	<u>328,865</u>
Excess of expenditure over income		<u>(216,640,476)</u>	<u>(80,476,302)</u>

The annexed notes from 1 to 28 form an integral part of these financial statements.



(CHIEF EXECUTIVE OFFICER)

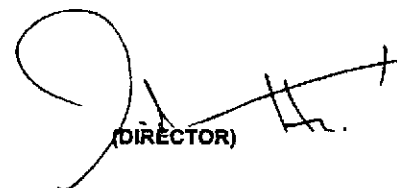
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(DIRECTOR)

LAHORE WASTE MANAGEMENT COMPANY
(a Company set up under section 42 of the Companies Ordinance, 1984)
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2012

	Note	2012 Rupees	2011 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Excess of expenditure over income before taxation		(216,640,476)	(80,149,637)
Adjustment for:			
Amortisation of Grant		(2,928,026,131)	-
Depreciation and amortization		16,521,731	5,049,436
Liability written back		(242,466)	-
Finance cost		19,933,499	258,603
		<u>(3,108,453,843)</u>	<u>(74,841,598)</u>
Effect on cash flow due to working capital changes			
(Increase) / decrease in current assets:			
Store and spares		(50,166,150)	-
Advances		(509,100,153)	(1,153,989)
Short term prepayments		-	(500,625)
Other receivables		(20,248,078)	-
		<u>(579,514,381)</u>	<u>(1,654,614)</u>
Increase in trade and other payables		129,574,692	19,229,787
		<u>(3,558,393,532)</u>	<u>(57,266,425)</u>
Finance cost paid		(79,368)	(258,603)
Income tax paid		(7,658,854)	(1,908,720)
		<u>(3,566,131,754)</u>	<u>(58,433,748)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure incurred		(308,570,288)	(45,704,573)
Increase in long term advances		(2,548,769,633)	-
Increase in long term deposits		(606,000)	(1,501,875)
		<u>(2,857,945,921)</u>	<u>(47,206,448)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Grant received from City District Government Lahore		2,908,172,000	-
Receipts from long term financing - net		4,030,240,000	230,000,000
		<u>6,938,412,000</u>	<u>230,000,000</u>
Net cash from financing activities		<u>6,938,412,000</u>	<u>230,000,000</u>
Net increase in cash and cash equivalents		514,334,325	123,359,804
Cash and cash equivalents at beginning of the year		123,359,804	-
Cash and cash equivalents at the end of the year	(11)	<u>637,694,129</u>	<u>123,359,804</u>

The annexed notes from 1 to 28 form an integral part of these financial statements.


(CHIEF EXECUTIVE OFFICER)

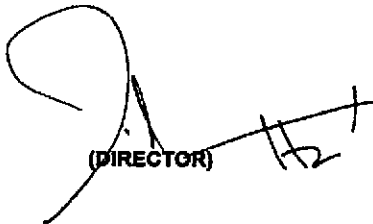

(DIRECTOR)

LAHORE WASTE MANAGEMENT COMPANY
(a Company set up under section 42 of the Companies Ordinance, 1984)
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2012

	2012	2011
	Rupees	Rupees
Excess of expenditure over income	(216,640,476)	(80,476,302)
Other comprehensive income	-	-
Total comprehensive income for the year	<u>(216,640,476)</u>	<u>(80,476,302)</u>

The annexed notes from 1 to 28 form an integral part of these financial statements.

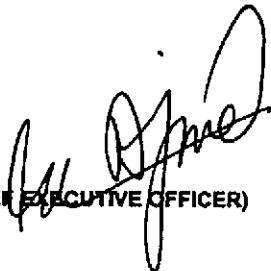

(CHIEF EXECUTIVE OFFICER)


(DIRECTOR)

LAHORE WASTE MANAGEMENT COMPANY
(a Company set up under section 42 of the Companies Ordinance, 1984)
STATEMENT OF CHANGES IN FUND
FOR THE YEAR ENDED 30 JUNE 2012

	General Fund
	Rupees
Balance as at 01 July 2010	(348,480)
Total comprehensive income for the year ended 30 June 2011	(80,476,302)
Balance as at 30 June 2011	<u>(80,824,782)</u>
Total comprehensive income for the year ended 30 June 2012	(216,640,476)
Balance as at 30 June 2012	<u><u>(297,465,258)</u></u>

The annexed notes from 1 to 28 form an integral part of these financial statements.


(CHIEF EXECUTIVE OFFICER)

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(DIRECTOR)