



SIRAJ & COMPANY

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF GOVERNORS OF KHURSHEED HAIDER ALLAH BUX SOOMRO MEMORIAL WELFARE HOSPITAL FOUNDATION

Opinion

We have audited the financial statement of **KHURSHEED HAIDER ALLAH BUX SOOMRO MEMORIAL WELFARE HOSPITAL FOUNDATION**, which comprise the statement of financial position as at June 30, 2024 and the income and expenditure account for the year then ended and notes to the financial statements including a summary of significant accounting policies.

In our opinion, the accompanying financial statements presents fairly, in all material respects and give a true and fair view of the financial position of **KHURSHEED HAIDER ALLAH BUX SOOMRO MEMORIAL WELFARE HOSPITAL FOUNDATION** as at June 30, 2024 and of its financial performance and its cash flows for the year then ended in accordance with approved accounting and reporting standards as applicable in Pakistan.

Basis for 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 the Financial Statements*' section of our report. We are independent of the Society in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professionals Accountants* as adopted by the Institute 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

The Board of Governors is responsible for the preparation and fair presentation of the 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 determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Society 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 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 guarantee that and 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,



SIRAJ & COMPANY

CHARTERED ACCOUNTANTS

individually or in the 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 risks of material misstatement of the financial statements, 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 Society'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 based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as 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 the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as going concern.
- Evaluate the overall presentation structure and content of the 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.

Date: September 20, 2024

Place: Karachi

UDIN # AR202410271jZyfK4XIb

Siraj & Company
Chartered Accountants

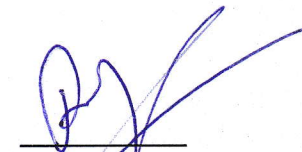
Khursheed Haider Allah Bux Soomro (KHAS) Memorial Welfare Hospital Foundation

STATEMENT OF FINANCIAL POSITION


AS ON JUNE 30, 2024

| FUNDS & LIABILITIES | NOTE | 2024 Rupees | 2023 Rupees |
|---------------------------------------------|------|--------------------|--------------------|
| <u>FUNDS</u> | | | |
| General Reserves | | (4,135,759) | 427,105 |
| Restricted Funds for Hospital | 4 | 117,590,452 | 117,590,452 |
| | | 113,454,693 | 118,017,557 |
| <u>CURRENT LIABILITIES</u> | | | |
| Accrued Expenses & other payables | 5 | 1,399,002 | 48,600 |
| | | 1,399,002 | 48,600 |
| | | 114,853,695 | 118,066,157 |
| <u>ASSETS</u> | | | |
| <u>NON-CURRENT ASSETS</u> | | | |
| Property, Plant & Equipments | 6 | 111,865,096 | 4,187,000 |
| Capital Work in Progress | 7 | - | 112,111,081 |
| <u>CURRENT ASSETS</u> | | | |
| Advances, Prepayments and other receivables | 8 | 552,539 | 302,539 |
| Cash and bank balances | 9 | 2,436,060 | 1,465,537 |
| | | 2,988,599 | 1,768,076 |
| | | 114,853,695 | 118,066,157 |

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



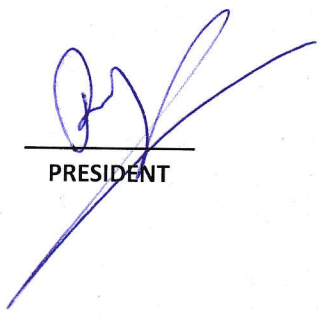
 PRESIDENT



KHAS HOSPITAL GENERAL SECRETARY
 Khursheed Haider Allah Bux Soomro
 Welfare Foundation
 Shikarpur

Khursheed Haider Allah Bux Soomro (KHAS) Memorial Welfare Hospital Foundation
INCOME & EXPENDITURES ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2024

| | | 2024 Rupees | 2023 Rupees |
|-----------------------------------------------|----|----------------|----------------|
| <u>INCOME</u> | | | |
| Donations | | 20,282,878 | 3,830,000 |
| OPD, Consultancy & Medicine charges | | 2,098,060 | - |
| <u>EXPENDITURES</u> | | | |
| Direct Costs | 10 | 16,445,480 | 3,842,000 |
| Administrative Expenses | 11 | 2,780,897 | 198,600 |
| Depreciation Expenses | 6 | 7,717,425 | - |
| | | (26,943,802) | (4,040,600) |
| Surplus / (Deficit) carried to Donation Fund | | (4,562,864) | (210,600) |
| General Reserve B/F | | 427,105 | 637,705 |
| General Reserve carried over to Balance Sheet | | (4,135,759) | 427,105 |



PRESIDENT

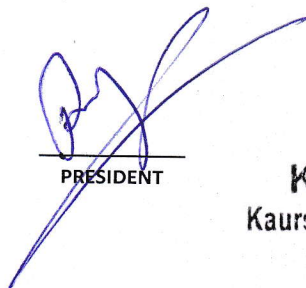


GENERAL SECRETARY


Khursheed Haider Allah Bux Soomro (KHAS) Memorial Welfare Hospital Foundation
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024

| NOTE | 2024 Rupees | 2023 Rupees |
|---------------------------------------------------------------|------------------|------------------|
| CASH FLOW FROM OPERATING ACTIVITIES | | |
| Surplus / (Deficit) for the year | (4,562,864) | (210,600) |
| Adjustment for non - cash items | | |
| - Depreciation expenses | 7,717,425 | - |
| Surplus / (Deficit) before Working Capital Changes | 3,154,561 | (210,600) |
| (Increase) / Decrease in Current Assets | | |
| Avances, Deposits, Prepayments & Other Receivables | (250,000) | - |
| | (250,000) | - |
| Increase/ (Decrease) in Current Liabilities | | |
| Accrued Expenses & other payables | 1,350,402 | 10,800 |
| Cash Generated from / (Used in) Operations | 4,254,963 | (199,800) |
| Income tax Paid | - | - |
| Net Cash flows From Operating activities | 4,254,963 | (199,800) |
| CASH FLOW FROM INVESTING ACTIVITIES | | |
| Fixed Assets purchased | (3,284,440) | (1,328,000) |
| Capital Work in Progress | - | (13,613,139) |
| Net cash generated from/(used) in Investing activities | (3,284,440) | (14,941,139) |
| CASH FLOW FROM FINANCING ACTIVITIES | | |
| Restricted Funds received | - | 15,247,935 |
| Net Cash (used) / generated from Financing activities | - | 15,247,935 |
| Net increase/ Decrease in cash & cash Equivalents | 970,523 | 106,996 |
| Cash & bank balances at the beginning of the year | 1,465,537 | 1,358,541 |
| Cash & bank balances at the end of the year | 2,436,060 | 1,465,537 |

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



 PRESIDENT



KHAS HOSPITAL GENERAL SECRETARY
 Khursheed Haider Allah Bux Soomro
 Welfare Foundation
 Shikarpur

Khursheed Haider Allah Bux Soomro (KHAS) Memorial Welfare Hospital Foundation
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

1- STATUS AND ACTIVITIES

KHURSHEED HAIDER ALLAH BUX SOOMRO (KHAS) MEMORIAL WELFARE HOSPITAL FOUNDATION is a non profit organization registered on June 06, 2012 with Registrar of Joint Stock Companies Sind - Karachi through register # 0142 of 201 - 12. The current office of the Foundation is situated at House # 4 - B / 1, Bonus Street, Phase - II, D. H. A., Karachi.

The principle activity of the Foundation is to provide comprehensive medical care and trauma services to patients of upper Sindh especially the under privilege socio economics group of Shaikarpur as a not for profit Hospital facility.

2- STATEMENT OF COMPLIANCE

The Financial Statements have been prepared in accordance with the approved Accounting Standard as applicable in Pakistan. Approved Accounting Standards comprise of International Accounting Standards issued by International Accounting Standard Committee (IASC), interpretations issued by Standing Interpretation Committee of IASC as applicable in Pakistan and Guidelines for Accounting and Financial Reporting by NGOs / NPOs issued by Institute of Chartered Accountants of Pakistan.

3- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of Preparation

These Financial Statements have been prepared under the Historical Cost convention.

3.2 Accounting Convention and Basis of Preparation

These Financial Statements have been prepared under the accrual basis of accounting except for the donations which are recognized on receipt basis.

3.3 Taxation

The Foundation has applied to be registered as a Non-Profit Organization under section 2(36)(c) of Income Tax Ordinance - 2001 and entitled to tax credit under section 100C of the said Ordinance. The provision of minimum tax is also not applicable on the foundation under Clause 11A of part 4 of second schedule of the Income tax Ordinance.

3.4 General Funds

The Fund is used to all general purposes of the Trust. Any Surplus / (deficit) arising out of operations of the Trust is transferred from income and expenditure account to this fund.

3.5 Restricted Funds for Hospital

Funds received for the purpose to built the Hospital are recorded in "Restricted Funds for Hospital" and are strictly used for the purpose only as this is the main objective of the Foundation.

3.6 Fixed Assets and Depreciation

Owned Assets

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any, except for free hold land and capital work in progress which are stated at cost.

Khursheed Haider Allah Bux Soomro (KHAS) Memorial Welfare Hospital Foundation
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

| | 2024 Rupees | 2023 Rupees |
|--------------------------------------------------------------------------|------------------------|------------------------|
| 4 - <u>Restricted Funds for Hospital</u> | | |
| Opening Balance | 117,590,452 | 102,342,517 |
| Received during the Year | - | 15,247,935 |
| Closing Balance | <u>117,590,452</u> | <u>117,590,452</u> |
| 5 - <u>Accrued Expenses & other payables</u> | | |
| Salaries Payable | 871,382 | - |
| Audit Fee Payable | 59,400 | 48,600 |
| Withholding Income Tax Payable | 248,368 | - |
| Other Payable | 219,852 | - |
| | <u>1,399,002</u> | <u>48,600</u> |
| 7 - <u>Capital Work in Progress</u> | | |
| Opening Balance | 112,111,081 | 98,497,942 |
| Incurred during the year | - | 13,613,139 |
| | 112,111,081 | 112,111,081 |
| Transferred to fixed assets | (112,111,081) | - |
| | <u>-</u> | <u>112,111,081</u> |
| 8 - <u>Avances, Deposits, Prepayments & Other Receivables</u> | | |
| Deposit with Dow Lab | 250,000 | - |
| Advance Income Tax | 302,539 | 302,539 |
| | <u>552,539</u> | <u>302,539</u> |
| 9 - <u>Cash & Bank Balances</u> | | |
| Cash in Hand | - | - |
| With Banks in Current Accounts | 2,436,060 | 1,465,537 |
| | <u>2,436,060</u> | <u>1,465,537</u> |

Khurshheed Haider Allah Bux Soomro (KHAS) Memorial Welfare Hospital Foundation
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2024

6 PROPERTY AND EQUIPMENT

| | Cost | | | Depreciation | | | WDV as at June 30, 2024 | Depreciation rate per annum | | |
|------------------------------------|------------------------|------------------------------------------------------|--------------------------------|------------------------|------------------------|------------------------|----------------------------|-----------------------------------|--------------------------------|-----|
| | As at July 01, 2023 | Transfer from CWIP / Additions during the year | Disposal during the year | As at June 30, 2024 | As at July 01, 2023 | Charge for the year | | | Disposal during the year | |
| Land - Freehold | 2,859,000 | - | - | 2,859,000 | - | - | - | 2,859,000 | 0% | |
| Building on Freehold Land | - | 81,126,132 1,121,140 | - | 82,247,272 | - | 4,112,364 | - | 4,112,364 | 78,134,908 | 5% |
| Machinery & Equipments | - | 9,842,538 850,000 | - | 10,692,538 | - | 1,069,254 | - | 1,069,254 | 9,623,284 | 10% |
| Electrical Installation & Fittings | - | 18,512,551 1,055,000 | - | 19,567,551 | - | 1,956,755 | - | 1,956,755 | 17,610,796 | 10% |
| Airconditioning System | - | 1,578,150 | - | 1,578,150 | - | 236,723 | - | 236,723 | 1,341,428 | 15% |
| Office Equipments | - | 231,300 | - | 231,300 | - | 23,130 | - | 23,130 | 208,170 | 10% |
| Furniture and fixtures | - | 930,418 27,000 | - | 957,418 | - | 95,742 | - | 95,742 | 861,676 | 10% |
| Computer & Accessories | - | 121,292 | - | 121,292 | - | 24,258 | - | 24,258 | 97,034 | 20% |
| Vehicles | 1,328,000 | - | - | 1,328,000 | - | 199,200 | - | 199,200 | 1,128,800 | 15% |
| Total | 4,187,000 | 115,395,521 | - | 119,582,521 | - | 7,717,425 | - | 7,717,425 | 111,865,096 | |

Rupees

Figures have been re-classified where necessary for comparison.

7.1 - Break up of Capital Work in Progress
as on June 30, 2022

| | Civil Work | Electrical Installation | Machineries & Equipments | Furniture & Fixtures | Airconditioning System | Computer & Accessories | Total |
|-----------------------------|--------------|-------------------------|--------------------------|----------------------|------------------------|------------------------|-----------|
| Opening balance | 81,126,132 | 18,512,551 | 9,842,538 | 930,418 | 1,578,150 | 121,292 | 112,111 |
| Incurring during the year | 81,126,132 | 18,512,551 | 9,842,538 | 930,418 | 1,578,150 | 121,292 | 112,111 |
| Transferred to fixed assets | (81,126,132) | (18,512,551) | (9,842,538) | (930,418) | (1,578,150) | (121,292) | (112,111) |
| Closing balance | | | | | | | |

Figures have been re-classified where necessary for comparison.
Figures have been rounded off to the nearest Rupee.

| 2024 Rupees | 2023 Rupees |
|----------------|----------------|
|----------------|----------------|

10 - Direct Cost

| | | |
|--------------------------------------|-------------------|------------------|
| Salary & Allowances | 11,065,216 | 3,842,000 |
| Medicine Expenses | 3,112,756 | - |
| Oxygen Cylinders | 90,000 | - |
| Surgical Materials | 8,800 | - |
| Awareness Seminar & Compain Expenses | 125,697 | - |
| Utility Expenses | 1,757,587 | - |
| Printing & Stationary | 119,668 | - |
| Repair & Maintenance | 75,750 | - |
| Miscellaneous Expenses | 90,006 | - |
| | <u>16,445,480</u> | <u>3,842,000</u> |

11 - Administrative Expenses

| | | |
|------------------------|------------------|----------------|
| Salary & Allowances | 1,738,350 | - |
| Fuel Expenses | 107,325 | - |
| Staff Food | 126,954 | - |
| Communication Expenses | 398,595 | - |
| Web Site Charges | 155,312 | - |
| Entertainment Expenses | 31,259 | - |
| Auditor's Remuneration | 59,400 | 48,600 |
| Legal & Professional | 160,000 | 150,000 |
| Bank Charges | 3,702 | - |
| | <u>2,780,897</u> | <u>198,600</u> |

12 - NUMBER OF EMPLOYEES

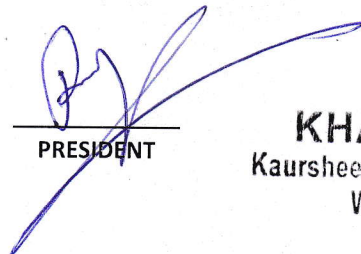
| | | |
|---------------------------------------------|-----------|----------|
| Number of Employees at year end | <u>28</u> | <u>9</u> |
| Average Number of Employees during the year | <u>25</u> | <u>7</u> |

13 - AUTHORIZATION OF FINANCIAL STATEMENTS

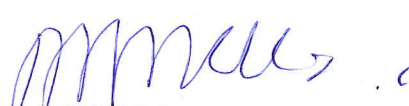
These financial statements were approved and authorized by the board of directors for issue on September 18, 2024.

14 - GENERAL

Figures have been re-classified where necessary for comparison.
Figures have been rounded off to the nearest Rupee.



PRESIDENT



KHAS HOSPITAL
Kausheed Haider Allah Bukh Soomro
Welfare Foundation
Shikarpur