

**KHURSHEED HAIDER ALLAH BUX SOOMRO
(KHAS) MEMORIAL WELFARE HOSPITAL
FOUNDATION
Financial Statements
For the year ended June 30, 2022**

**Audited by:
Siraj & Company
Chartered Accountants**



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, 2022 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, 2022 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: October 26, 2022

Place: Karachi

UDIN # AR202210271EeFutfQSA

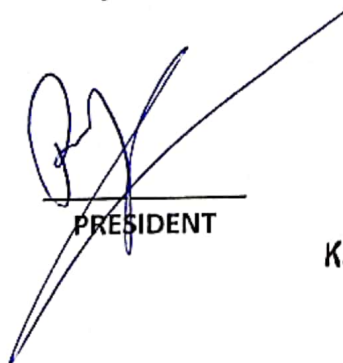
Siraj & Company
Chartered Accountants

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

**STATEMENT OF FINANCIAL POSITION
AS ON JUNE 30, 2022**

FUNDS & LIABILITIES	NOTE	2022 Rupees	2021 Rupees
<u>FUNDS</u>			
General Reserves		637,705	847,105
Restricted Funds for Hospital	4	102,342,517	75,315,417
		102,980,222	76,162,522
<u>CURRENT LIABILITIES</u>			
Accrued Expenses & other payables	5	37,800	32,400
		37,800	32,400
		103,018,022	76,194,922
<u>ASSETS</u>			
<u>NON-CURRENT ASSETS</u>			
Land		2,859,000	2,859,000
Capital Work in Progress	6	98,497,942	68,981,787
<u>CURRENT ASSETS</u>			
Advances, Prepayments and other receivables	7	302,539	302,539
Cash and bank balances	8	1,358,541	4,051,596
		1,661,080	4,354,135
		103,018,022	76,194,922

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


PRESIDENT

KHAS HOSPITAL
Khursheed Haider Allah Bux Soomro
Welfare Foundation
Shikarpur


GENERAL SECRETARY

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

INCOME & EXPENDITURES ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2022

2022 Rupees	2021 Rupees
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INCOME

Donations

- -

EXPENDITURES

Auditor's Remuneration

59,400

34,400

Legal & Professional

150,000

140,000

Miscellaneous Expenses

-

-

(209,400)

(174,400)

Surplus / (Deficit) carried to Donation Fund

(209,400)

(174,400)

General Reserve B/F

847,105

1,021,505

General Reserve carried over to Balance Sheet

637,705

847,105


PRESIDENT


GENERAL SECRETARY

KHAS HOSPITAL
Khursheed Haider Allah Bux Soomro
Welfare Foundation
Shikarpur

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.

Subsequent cost

The cost of replacing part of an Item of Fixed assets is recognized in the carrying amount of the item if it is probable that future economic benefits embodied within the part will flow to the Trust and its cost can be measured reliably. The costs of the day-to-day servicing of fixed assets are recognized in profit and loss account as incurred.

Depreciation

Depreciation is charged to income on diminishing balance method. The rates used are stated in the fixed assets note to the financial statements. Depreciation on additions is charged for the full month in which an asset is put to use and on disposals upto the month immediately preceding the disposals.

The assets' residual values and useful lives are reviewed at each financial year end and adjusted if impact on depreciation is significant.

The gain or loss on disposal or requirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognized as an income or loss.

Impairment

The carrying amounts of the Trust's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment loss. If any such indication exists, the assets' recoverable amount is estimated in order to

3.7 CAPITAL WORK IN PROGRESS

Capital work in progress represents expenditure on fixed asset in the course of construction and installation. Transfers are made to relevant category of Fixed Assets as and when assets are available for use. Capital Work in Progress is stated at

3.8 Cash and Cash Equivalents

Cash and cash equivalents are carried in the balance at cost. Cash and cash equivalents comprise of cash in hands and cash with banks in current or pls accounts.

3.9 Accrued Expenses & Other Payables

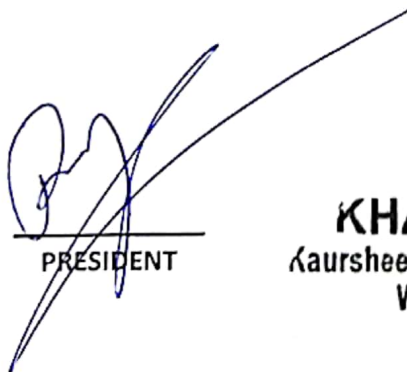
Liabilities for accrued expenses and other payables are carried at cost which is the fair value of the consideration to be paid in future for goods and services received, whether or not billed to the trust.

3.10 Revenue Recognition

Donation & contributions are recognized on the basis of cash received.

Khursheed Haider Allah Bux Soomro (KHAS) Memorial Welfare Hospital Foundation
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2022

	2022 Rupees	2021 Rupees
4- <u>Restricted Funds for Hospital</u>		
Opening Balance	75,315,417	39,734,572
Received during the Year	27,027,100	35,580,845
Closing Balance	<u>102,342,517</u>	<u>75,315,417</u>
5- <u>Accrued Expenses & other payables</u>		
Audit Fee Payable	37,800	32,400
	<u>37,800</u>	<u>32,400</u>
6- <u>Capital Work in Progress</u>		
Opening Balance	68,981,787	28,730,242
Incurred during the year	29,516,155	40,251,545
	<u>98,497,942</u>	<u>68,981,787</u>
Transferred to fixed assets	-	-
	<u>98,497,942</u>	<u>68,981,787</u>
7- <u>Avances, Prepayments & Other Receivables</u>		
Advance Income Tax	302,539	302,539
	<u>302,539</u>	<u>302,539</u>
8- <u>Cash & Bank Balances</u>		
Cash in Hand	-	-
With Banks in Current Accounts	1,358,541	4,051,596
	<u>1,358,541</u>	<u>4,051,596</u>



 PRESIDENT

KHAS HOSPITAL
 Khursheed Haider Allah Bux Soomro Welfare Foundation
 Shikarpur

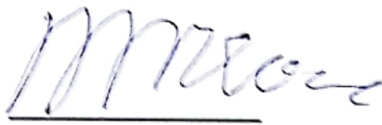


 GENERAL SECRETARY

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

	Civil Work	Electrical Installation	Machinerles & Equipments	Furniture & Fixtures	Total
Opening balance	54,408,773	9,152,940	5,020,074	400,000	68,981,787
Incurred during the year (from KHAS Bank)	17,303,262	8,813,011	2,869,464	530,418	29,516,155
	71,712,035	17,965,951	7,889,538	930,418	98,497,942
Transferred to fixed assets	-	-	-	-	-
Closing balance	71,712,035	17,965,951	7,889,538	930,418	98,497,942


PRESIDENT


GENERAL SECRETARY

KHAS HOSPITAL
Gaursheed Halder Afsar x Soomro
Welfare Foundation
Shikarpur