

## **INDEPENDENT AUDITORS' REPORT TO THE BOARD OF TRUSTEES OF SINA HEALTH, EDUCATION & WELFARE TRUST**

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the financial statements of SINA Health, Education & Welfare Trust ("the Trust") which comprise the statement of financial position as at June 30, 2024 and the statement of income and expenditure, the statement of changes in accumulated funds and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Trust as at June 30, 2024, and of its financial performance, 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 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 Trust in accordance with International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code), and we have fulfilled our ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide basis for our opinion.

#### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The management 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 management determine 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, Board of Trustees are responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Trust's financial reporting process.

#### **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, 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 a guarantee that an 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, 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 Trust'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 and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a 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 Trust to cease to continue as a 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.

The engagement partner on the audit resulting in this independent auditor's report is Tariq Feroz Khan.

KARACHI

DATED: 15 APR 2025

UDIN: AR202410166Xhon6MOuR

  
BDO EBRAHIM & Co.  
CHARTERED ACCOUNTANTS



**SINA HEALTH, EDUCATION & WELFARE TRUST**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2024**

	Note	2024 Rupees	2023 Rupees
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property and equipment	5	294,607,652	317,685,285
Intangible	6	8,163,060	9,480,336
Capital work in progress	7	38,361,198	8,427,459
		<u>341,131,910</u>	<u>335,593,080</u>
<b>CURRENT ASSETS</b>			
Medical supplies	8	54,523,498	28,695,056
Loans and advances	9	60,474,254	45,578,098
Short term deposits, prepayments and other receivables	10	8,429,381	8,646,480
Short term investments	11	-	120,000,000
Cash and bank balances	12	835,997,182	582,718,405
		<u>959,424,315</u>	<u>785,638,039</u>
<b>TOTAL ASSETS</b>		<u>1,300,556,225</u>	<u>1,121,231,119</u>
<b>LIABILITIES</b>			
<b>NON CURRENT LIABILITIES</b>			
Deferred grant	13	323,504,527	477,039,917
<b>CURRENT LIABILITIES</b>			
Trade and other payables	14	49,679,064	27,182,345
<b>TOTAL LIABILITIES</b>		<u>373,183,591</u>	<u>504,222,262</u>
<b>NET ASSETS</b>		<u>927,372,634</u>	<u>617,008,857</u>
<b>CONTINGENCIES AND COMMITMENTS</b>			
<b>NET ASSETS REPRESENTED BY:</b>	15		
Restricted Funds			
Zakat funds		160,776,967	129,075,844
Non-zakat funds		362,013,386	212,021,498
Endowment fund		404,582,281	275,911,515
	16	<u>927,372,634</u>	<u>617,008,857</u>

The annexed notes from 1 to 30 form an integral part of these financial statements.

  
**CHIEF OPERATING OFFICER**

  
**TRUSTEE**

**SINA HEALTH, EDUCATION & WELFARE TRUST**  
**STATEMENT OF INCOME AND EXPENDITURE**  
**FOR THE YEAR ENDED JUNE 30, 2024**

	Note	2024 Rupees	2023 Rupees
<b>RESTRICTED FUNDS</b>			
<b>INCOME</b>			
Deferred income realized	17	628,120,727	590,865,510
Clinical receipts	18	56,347,106	42,352,635
		<u>684,467,833</u>	<u>633,218,145</u>
<b>EXPENDITURE</b>			
Operating expenses	19	(661,290,121)	(590,566,173)
Administrative expenses	20	(50,725,609)	(40,725,711)
Other expenses	21	(22,884,041)	(23,440,821)
		<u>(734,899,771)</u>	<u>(654,732,705)</u>
Gross deficit		(50,431,938)	(21,514,560)
Other income	22	50,567,801	21,624,795
Surplus for the year		<u>135,863</u>	<u>110,235</u>
Attributable to:			
Zakat funds		108,690	88,188
Non-zakat funds		27,173	22,047
		<u>135,863</u>	<u>110,235</u>

The annexed notes from 1 to 30 form an integral part of these financial statements.

  
**CHIEF OPERATING OFFICER**

  
**TRUSTEE**

SINA HEALTH, EDUCATION & WELFARE TRUST  
STATEMENT OF CHANGES IN ACCUMULATED FUND  
FOR THE YEAR ENDED JUNE 30, 2024

	Restricted Funds							
	2024				2023			
	Zakat	Non-zakat funds	Endowment Fund	Total	Zakat	Non-zakat funds	Endowment Fund	Total
	Rupees							
Balance at beginning of the year	129,075,844	212,021,498	275,911,515	617,008,857	64,692,656	156,997,083	155,380,016	377,069,755
Zakat / non-zakat funds received during the year for operations	261,473,462	154,467,568	-	415,941,030	256,667,550	56,094,224	-	341,626,439
Deferred income realized during the year	(229,881,030)	(304,355,925)	-	(534,236,955)	(192,372,550)	(324,042,189)	-	(545,279,404)
Transfer from Deferred grant	-	299,853,072	-	299,853,072	-	322,950,333	-	322,950,333
Transferred from statement of income and expenditure	108,690	27,173	-	135,863	88,188	22,047	-	110,235
Movement during the year ( Note 16.2)	-	-	128,670,766	128,670,766	-	-	120,531,499	120,531,499
Balance at end of the year	160,776,966	362,013,386	404,582,281	927,372,634	129,075,844	212,021,498	275,911,515	617,008,857

The annexed notes from 1 to 30 form an integral part of these financial statements.

  
CHIEF OPERATING OFFICER

  
TRUSTEE



**SINA HEALTH, EDUCATION & WELFARE TRUST**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2024**

	Note	2024 Rupees	2023 Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Surplus for the year		135,863	110,235
Adjustment for non-cash and other items:			
Depreciation		41,078,723	37,998,603
Amortization		1,317,276	1,323,318
Loss on disposal of fixed assets		117,989	-
		<u>42,649,851</u>	<u>39,432,156</u>
<b>Working capital changes</b>			
(Increase) / decrease in current assets			
Medical supplies		(25,828,442)	(10,429,389)
Loan and advances		(14,998,306)	(44,840,412)
Short term deposits and prepayments		217,099	(2,424,655)
		<u>(40,609,649)</u>	<u>(57,694,456)</u>
<b>Increase / (decrease) in current liabilities</b>			
Trade and other payables		22,598,869	(13,111,704)
Net cash flows generated from / (used in) operating activities		<u>24,639,071</u>	<u>(31,374,004)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Fixed capital expenditure		(12,354,354)	(25,022,460)
Additions to intangible assets		-	(547,010)
Capital work in progress		(35,698,464)	(13,035,450)
Net cash used in investing activities		<u>(48,052,818)</u>	<u>(38,604,920)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Capital grants -net		(153,535,390)	29,671,280
Endowment fund - net		128,670,766	120,531,454
Zakat / non-zakat fund - net		181,557,148	119,297,368
Net cash flows generated from financing activities		<u>156,692,524</u>	<u>269,500,102</u>
Net increase in cash and cash equivalents		133,278,777	199,521,178
Cash and cash equivalents at beginning of the year		702,718,405	503,197,227
Cash and cash equivalents at end of the year	23	<u>835,997,182</u>	<u>702,718,405</u>

The annexed notes from 1 to 30 form an integral part of these financial statements.

  
**CHIEF OPERATING OFFICER**

  
**TRUSTEE**

**SINA HEALTH, EDUCATION & WELFARE TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2024**

**1. GENERAL INFORMATION**

Sina Health, Education and Welfare Trust (the Trust) is a not for profit organisation, established under the Trust Act, 1882 on August 2, 2007 and is primarily engaged in providing primary health care facilities, medical treatments, laboratory investigations and financial assistance to the less privileged communities suffering from different ailments. The Trust operates 37 health facilities in Karachi. The principal office of the Trust is situated at Plot No.1, D-21, Sector 30, Korangi industrial area , Karachi.

The Trust is formed to contribute to a healthy and prosperous Pakistan by promoting health and well-being of Pakistanis through provision of welfare services, enhancing support for vaccines and other interventions for advancing lives and preventing diseases in Karachi and other parts of the Country. The Trust also highlights the importance of preventive measures in reducing the infectious disease burden including vaccines as a cost effective public health tool by increasing awareness on vaccine preventable diseases, promotion of preventive measures such as clean water and hygiene, benefits of vaccination to Pakistanis by conducting mass awareness and vaccination campaigns and involvement in other health related activities.

**2. BASIS OF PREPARATION**

**2.1 Statement of compliance**

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standard for the Small and Medium-Sized Entities (IFRS for SMEs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017
- Provisions and directives issued under the Companies Act, 2017; and
- Accounting standard for Not for Profit Organizations ( Accounting Standard for NPOs) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS for SMEs, or Accounting standards for NPO, the provisions of and directives issued under the Companies Act, 2017 have been followed.



## **2.2 Basis of measurement**

These financial statements have been prepared on historical cost basis, unless specified otherwise.

## **2.3 Functional and presentation currency**

These financial statements are presented in Pakistan rupee, ('Rupees' or 'Rs.') which is also the Trust's functional currency.

## **3. MATERIAL ACCOUNTING POLICY INFORMATION**

The material accounting policies applied in the presentation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

### **3.1 Property and equipment**

These are stated at cost less accumulated depreciation and impairment losses, if any, except for freehold land which is carried at historical cost.

Depreciation is charged to statement of income and expenditure applying straight line method so as to charge depreciable amount of an asset over its useful life, at rates mentioned in note 5 to these financial statements. Depreciable amount represents cost less estimated residual value. Depreciation on additions is charged from the month in which the asset is put to use and on disposal, upto the month of disposal.

Gains and losses on disposal of property and equipment are included in the income and expenditure account.

Maintenance and normal repairs are charged to statement of income and expenditure in the year in which they are incurred. Major renewals and improvements, if any, are capitalised and depreciated in a manner that represents the consumption pattern and useful lives.

Assets having cost exceeding the minimum threshold as determined by the management are capitalised. All other costs are charged to the statement of income and expenditure in the year in which such are incurred.

Subsequent costs are included in the asset's carrying amounts or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Trust and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All repairs and maintenance are charged to the statement of income and expenditure during the financial period in which such are incurred.



Disposal of assets is recognised when significant risk and rewards incidental to ownership have been transferred to buyer. Gain and loss on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the statement of income and expenditure for the year.

Depreciation is charged to the statement of income and expenditure applying the straight line method, whereby the depreciable amount of an asset is written off over its estimated useful life. Depreciation is charged on additions from the month the asset is available for use and on disposals up to the month preceding the month of disposal. The rates of depreciation are stated in note 5 to these financial statements.

The assets residual values, useful lives and depreciation methods are reviewed, and adjusted, if appropriate, at each reporting date.

### **3.2 Capital work in progress**

Capital work in progress is stated at cost less any identified impairment loss and represents expenditure incurred on property and equipment during the construction of clinics and other installation. Transfers are made to relevant class of property, plant and equipment category as and when assets are available for use in the manner as intended by the management.

### **3.3 Impairment**

The carrying value of assets are reviewed at each statement of financial statements date to determine whether there is any indication of impairment. If such an indication exists, the recoverable amount of such asset is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the statement of income and expenditure.

### **3.4 Intangible assets**

Intangibles are stated at cost less accumulated amortisation and impairment losses, if any. Amortisation is charged over the estimated useful life of the asset on a systematic basis by applying the straight line method.

Costs that are directly associated with identifiable software products controlled by the Trust and have probable economic benefit beyond one year are recognised as intangible assets. Costs associated with maintaining computer software products are recognised as expense as and when incurred in the statement of income and expenditure.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. The effect of any adjustments to residual values and useful lives is recognised prospectively as a change in estimate in the statement of income and expenditure.

Useful lives of intangibles are reviewed at each financial year end if expectations differ significantly from previous estimates. Where the carrying amount of an intangible is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

### **3.5 Medical supplies**

Medical supplies are stated at the lower of cost and estimated net realisable value. Cost is determined on first-in first-out basis.

The management reviews the carrying amounts of medical supplies on a regular basis and provision is made for items if there is any change in physical form.

### **3.6 Cash and bank balances**

Cash in hand and at bank are carried at nominal amount.

### **3.7 Cash and cash equivalents**

Cash and cash equivalents are carried in the statement of financial position at cost. For the purpose of the cash flow statement, cash and cash equivalents comprise of cash in hand, deposits held with banks in current and saving accounts and other short term highly liquid investments with maturities of three months or less.

### **3.8 Deferred grant**

Grant funds related to assets are accounted for as deferred capital grants, when the funds are received. An amount equal to the annual charge for depreciation on assets purchased is released from this account and reflected as 'Grant income realised against assets' in the statement of income and expenditure. Further, when a non-capital expenditure related to the asset takes place, the amount is released from this account and reflected as 'Grant income realised against expenses' in the statement of income and expenditure.

### **3.9 Revenue recognition**

#### **(a) Donation and grants**

Donations are recognized as income as and when received. Donations received in kind are recognized at the fair value prevailing at the time of receipt of such donation.

Grants and donations received for revenue expenditure are taken to statement of income and expenditure.



Donations restricted in its use by the donors are utilised for the purpose specified and are classified as donations under restricted fund account. Any income made from such restricted donations is also credited directly in the restricted fund account.

Revenue from ancillary activities (e.g. clinic fee, laboratory, glucometer, ultrasound income) is recognised on receipt basis.

**(b) Return on bank deposits**

Profit on bank balances is recognised on a time proportion basis on the principal amount outstanding and at the applicable rate.

**3.10 Expenses**

All expenses are recognised in the statement of income and expenditure on accrual basis. Expenses incurred out of donation are reflected in the statement of income and expenditure, with an equal amount being recognised as "Value of services rendered".

**3.11 Taxation**

The Trust is registered with the income tax authorities as a non-profit organisation under section 2(36)(c) of the Income Tax Ordinance, 2001 read with Rule 212 and 220 of the Income Tax Rules, 2002. The Trust does not account for taxation, as non-profit organisations are allowed a tax credit equal to one hundred percent (100%) of the tax payable including minimum tax and final tax payable, under section 100C of the Income Tax Ordinance, 2001. The management believes that the prescribed conditions will be met and Trust will not be subject to any tax incidence.

**3.12 Trade and other payables**

Accrued and other liabilities are recognised at cost which is the fair value of the consideration to be paid in future for goods and services. The recoverable amount is equal to fair value.

**3.13 Provisions**

Provisions are recognized when the Trust has legal or constructive obligation as a result of past events if it is probable that outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made.

### **3.14 Contingencies**

A contingent liability is disclosed when the Trust has a possible obligation as a result of past events, existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Trust; or the Trust has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

### **3.15 Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### **3.15.1 Financial assets**

The Trust classifies its financial assets in the following categories: at fair value through profit or loss, fair value through other comprehensive income and amortized cost. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition. All the financial assets of the Trust at statement of financial position date are carried at amortized cost.

A financial asset is measured at amortized cost if it meets both the following conditions and is not designated as at fair value through profit or loss:

- (i) it is held with in a business model whose objective is to hold assets to collect contractual cash flows; and
- (ii) its contractual terms give rise on specified dates to cash flows that are solely payments of

A financial asset is initially measured at fair value plus transaction costs that are directly attributable to its acquisition.

#### **3.15.2 Impairment of financial assets**

An assessment is made at each reporting date to determine whether there is objective evidence that a specific financial asset may be impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial assets or the group of financial assets that can be reliably estimated. If such evidence exists, any impairment loss is recognised in the profit and loss account. For assets carried at amortised cost, impairment is the difference between carrying amount and the present value of estimated future cash flows discounted at the financial assets original effective interest rate.



Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the financial asset no longer exist or have decreased and the decrease can be related objectively to an event occurring after the impairment was recognised . Reversal of impairment losses are recognised in the statement of income and expenditure to the extent carrying value of the asset does not exceed its amortised cost at the reversal date.

### **3.15.3 Offsetting of financial assets and financial liabilities**

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position, if the Trust has a legally enforceable right to set-off the recognised amounts and the Trust intends to settle either on a net basis or realise the asset and settle the liability simultaneously.

### **3.16 Restricted funds**

#### **(a) Zakat fund**

The zakat funds of the Trust are required to be utilised only for the patients who are entitled to receive zakat under the Islamic shariah. Donations specified as zakat by the donor are recognised under the general zakat fund account upon receipt. Subsequently, general zakat fund account is adjusted at pre-determined rates for the value of services provided to the needy / deserving patients.

#### **(b) Unrestricted Funds**

##### **Non- zakat funds**

Non-zakat funds are utilised for operations of the Trust and all the patients (other than patients eligible for zakat) are treated through funds received as non-zakat funds. Funds contributed by the donors for operations are recognised under the non-zakat fund upon receipt. Subsequently, non-zakat fund account is adjusted at pre-determined rates for the value of services provided to the needy / deserving patients.

##### **Endowment Fund**

The Trust has created endowment fund , in order to support financial difficulty, that may arise due to lack of adequate donations and zakat receipts in future financial years. These Funds are governed by the rules approved by the Trustees. The contributions to the Funds includes the amount received from donor with stipulation that the principal amount to be kept intact while the income earned by investment of the same can be utilised by the Trust with the approval of the Investment Committee.

#### **4. MATERIAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

The preparation of financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. In addition, it requires management to exercise judgement in the process of applying the Trust Accounting policies. The areas involving a high degree of judgement or complexity, or areas where assumptions and estimates are material to the financial statements, are documented in the following accounting policies and notes, and relate primarily to:

	<b>Notes</b>
Property and equipment	3.1
Intangible assets	3.4
Impairment	3.3
Impairment of financial assets	3.15.2
Provisions	3.13
Contingencies and commitment	3.14



5 PROPERTY AND EQUIPMENT

Description	Land	Building	Clinical and medical equipment	Office and electrical equipment	Computer	Vehicles	Solar Panel	Furniture and fixtures	Total
	-----Rupees-----								
<b>Year ended June 30, 2024</b>									
<b>Net carrying value basis</b>									
Opening net book value	56,499,418	185,420,495	2,283,285	17,755,209	9,183,137	18,779,443	13,917,301	13,846,997	317,685,285
Additions during the year	-	-	120,500	2,040,023	5,677,080	471,956	2,932,375	1,112,420	12,354,354
Deletion	-	-	-	-	-	(117,989)	-	-	(117,989)
Transferred from CWIP	-	5,569,725	195,000	-	-	-	-	-	5,764,725
Depreciation	-	(11,595,903)	(857,599)	(7,843,954)	(5,256,853)	(4,451,813)	(5,254,474)	(5,818,127)	(41,078,723)
<b>Closing net book value</b>	<b>56,499,418</b>	<b>179,394,317</b>	<b>1,741,186</b>	<b>11,951,278</b>	<b>9,603,364</b>	<b>14,681,597</b>	<b>11,595,202</b>	<b>9,141,290</b>	<b>294,607,652</b>
<b>Gross carrying value basis</b>									
Cost	56,499,418	242,433,145	12,968,388	42,831,591	30,924,071	43,961,825	27,703,962	42,142,249	499,464,649
Accumulated depreciation	-	(63,038,828)	(11,227,203)	(30,880,313)	(21,320,707)	(29,280,228)	(16,108,760)	(33,000,959)	(204,856,998)
<b>Net book value</b>	<b>56,499,418</b>	<b>179,394,317</b>	<b>1,741,185</b>	<b>11,951,278</b>	<b>9,603,364</b>	<b>14,681,597</b>	<b>11,595,202</b>	<b>9,141,290</b>	<b>294,607,652</b>
<b>Year ended June 30, 2023</b>									
<b>Net carrying value basis</b>									
Opening net book value	52,419,418	179,801,693	4,221,077	16,164,727	6,787,646	11,308,807	17,582,554	16,044,414	304,330,336
Additions during the year	-	-	44,200	6,303,617	5,982,600	11,385,053	385,000	921,990	25,022,460
Transferred from CWIP	4,080,000	16,753,061	550,000	617,320	1,318,563	-	750,000	2,262,148	26,331,092
Depreciation	-	(11,134,259)	(2,531,992)	(5,330,455)	(4,905,672)	(3,914,417)	(4,800,253)	(5,381,555)	(37,998,603)
<b>Closing net book value</b>	<b>56,499,418</b>	<b>185,420,495</b>	<b>2,283,285</b>	<b>17,755,209</b>	<b>9,183,137</b>	<b>18,779,443</b>	<b>13,917,301</b>	<b>13,846,997</b>	<b>317,685,285</b>
<b>Gross carrying value basis</b>									
Cost	56,499,418	236,863,420	12,652,888	40,791,568	25,246,991	43,607,858	24,771,587	41,029,829	481,463,559
Accumulated depreciation	-	(51,442,925)	(10,369,604)	(23,036,359)	(16,063,854)	(24,828,415)	(10,854,286)	(27,182,832)	(163,778,275)
<b>Net book value</b>	<b>56,499,418</b>	<b>185,420,495</b>	<b>2,283,284</b>	<b>17,755,209</b>	<b>9,183,137</b>	<b>18,779,443</b>	<b>13,917,301</b>	<b>13,846,997</b>	<b>317,685,285</b>
<b>Annual rate of depreciation</b>	<b>-</b>	<b>5%</b>	<b>33%</b>	<b>20%</b>	<b>33%</b>	<b>20%</b>	<b>20%</b>	<b>20%</b>	

	Note	2024 Rupees	2023 Rupees
<b>6 INTANGIBLE</b>			
Opening balance		9,480,336	10,256,644
Additions		-	547,010
Amortization during the year		(1,317,276)	(1,323,318)
	6.1	<u>8,163,060</u>	<u>9,480,336</u>
6.1	The electronic medical record system is amortized over the period of 10 years on straight line basis.		
<b>7 CAPITAL WORK IN PROGRESS</b>			
Capital work in progress	7.1	<u>38,361,198</u>	<u>8,427,459</u>
<b>7.1 Movement of carrying amount</b>			
Opening balance		8,427,459	21,723,101
Additions during the year		<u>35,698,464</u>	<u>13,035,450</u>
		44,125,923	34,758,551
Transferred to property and equipment during the year		(5,764,725)	(26,331,092)
Closing balance	7.2	<u>38,361,198</u>	<u>8,427,459</u>
7.2	This relates to clinic under construction in Saeedabad, Karachi.		
<b>8 MEDICAL SUPPLIES</b>			
Medical Supplies		<u>54,523,498</u>	<u>28,695,056</u>
<b>9 LOANS AND ADVANCES</b>			
Unsecured - considered good			
Loans to employees	9.1	1,071,643	581,094
Advances to suppliers	9.2	371,178	623,569
Advance tax		<u>59,031,433</u>	<u>44,373,435</u>
		<u>60,474,254</u>	<u>45,578,098</u>
9.1	This represents interest free loan to employees provided for a period of three months as per trust's policy.		
9.2	This represents advances given to supplier for the purpose of operational expenses.		



	Note	2024 Rupees	2023 Rupees
<b>10</b>	<b>SHORT TERM DEPOSITS, PREPAYMENTS AND OTHER</b>		
Deposits		6,156,158	6,057,165
Prepaid rent		2,171,073	2,589,315
Other receivables		102,150	-
		<u>8,429,381</u>	<u>8,646,480</u>
<b>11</b>	<b>SHORT TERM INVESTMENTS</b>		
Amortised cost			
Term deposit receipt	11.1	<u>-</u>	<u>120,000,000</u>
11.1	These represent term deposits with commercial bank having maturity of 3 months and rate of profit is 19.5% (2023: 19.5%) per annum.		
<b>12</b>	<b>CASH AND BANK BALANCES</b>		
Cash in hand		190,430	120,317
Cash at banks			
Current accounts		91,186,470	275,452,263
Savings accounts	12.1	744,620,282	307,145,825
		<u>835,806,752</u>	<u>582,598,088</u>
		<u>835,997,182</u>	<u>582,718,405</u>
12.1	These carry profit at rates ranging from 14.25% to 19.5% (2023: 12.25% to 14.25%) per annum.		

### 13 DEFERRED GRANT REALISED

Description	Capital Grant		Operational grant - VPT Project (Note 13.3)	Total
	Note	Rupees		
Year ended June 30, 2024				
Balance as at beginning of the year		331,186,050	145,853,867	477,039,917
Grant received during the year		9,363,688	158,424,284	167,787,972
Profit on saving account		-	16,791,160	16,791,160
Transferred from Non-zakat fund		12,354,354	-	12,354,354
Less:				
Grant income realised against expenses	13.1	(3,716,952)	(304,355,925)	(308,072,877)
Grant income realised against assets	13.2	(42,395,999)	-	(42,395,999)
		(46,112,951)	(304,355,925)	(350,468,876)
Balance as at the end of the year		306,791,141	16,713,386	323,504,527
Year ended June 30, 2023				
Balance as at the beginning of the year		318,607,409	128,761,228	447,368,637
Grant received during the year		33,142,287	332,828,501	365,970,788
Profit on saving account		-	8,306,327	8,306,327
Transferred from Non-zakat fund		25,022,460	-	25,022,460
Less:				
Grant income realised against expenses	13.1	(6,264,185)	(324,042,189)	(330,306,374)
Grant income realised against assets	13.2	(39,321,921)	-	(39,321,921)
		(45,586,106)	(324,042,189)	(369,628,295)
Balance as at the end of the year		331,186,050	145,853,867	477,039,917

- 13.1 These represent expenses that were made out of the deferred capital grants but does not meet the capitalisation criteria of the Trust and were charged to income and expenditure account.
- 13.2 This represents amount realised to grant income equivalent to depreciation and amortization charged on the relevant assets.
- 13.3 On March 04, 2020, Vital Pakistan Trust signed sub-grant agreement with SINA for a period of 5 years to fund the Nutrition & Immunization projects for pregnant & Lactating women and strengthening of immunization rate for children under the age of 5 years. During the year, an amount Rs. 158.424 million (2023: Rs. 332.828 million) is sub-awarded by VPT and the utilization portion for Nutrition & Immunization expenses is Rs. 304.355 million (2023: 324.042 million).

	2024 Rupees	2023 Rupees
<b>14 TRADE AND OTHER PAYABLES</b>		
Creditors	42,078,708	17,708,306
Accrued expenses	1,260,093	3,327,176
EOBI payable	6,340,263	6,146,863
	<u>49,679,064</u>	<u>27,182,345</u>



## 15 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at the reporting date (2023: Nil).

	Note	2024 Rupees	2023 Rupees
<b>16 RESTRICTED FUNDS</b>			
Zakat funds			
Zakat fund for clinics		139,875,961	112,295,984
Zakat ration fund for Baldia		20,901,006	16,779,860
	16.1	160,776,967	129,075,844
Non-zakat funds		362,013,386	212,021,498
Endowment fund	16.2	404,582,281	275,911,515
		<u>927,372,634</u>	<u>617,008,857</u>

16.1 Zakat funds are required to be utilized only for patients who are entitled to receive zakat under the Islamic shariah, whereas, all others patients are treated through funds received as non-zakat funds.

16.2 Movement in the endowment fund is as follows:

Balance as at July 1		275,911,515	155,380,016
Funds received from donor		84,774,007	92,561,500
Realised gain on remeasurment of funds		-	4,108,434
Realised gain on remeasurment of funds - NAFA & Almeen		-	239,142
Profit on Term Deposit Receipts (DIB)		43,896,759	23,622,423
Balance as at June 30	16.2.1	<u>404,582,281</u>	<u>275,911,515</u>

16.2.1 The amount has been received from a donor with stipulation that the principal amount to be kept intact while the income earned by investment of the same can be utilised by the Trust with the approval of the Investment Committee.

## 17 DEFERRED INCOME REALIZED

Zakat fund	17.1	229,881,030	192,372,550
Non-zakat funds / Donations		47,770,821	28,864,665
Operational grant - VPT Project			
Funds utilized - VPT Nutrition		170,371,978	213,789,285
Funds utilized - VPT Immunization		133,983,947	110,252,904
	13.3	<u>304,355,925</u>	<u>324,042,189</u>

	Note	2024 Rupees	2023 Rupees
Capital grant			
Grant income realised against expenses	13.1	3,716,952	6,264,185
Grant income realised against assets	13.2	42,395,999	39,321,921
		46,112,951	45,586,106
		<u>628,120,727</u>	<u>590,865,510</u>

- 17.1 Zakat Funds has been spent only on deserving people as per shariah principles, after consultation with independent shariah advisor.

## 18 CLINICAL RECEIPTS

Clinic fees	53,983,160	41,624,921
Laboratory income	2,363,946	727,714
	<u>56,347,106</u>	<u>42,352,635</u>

## 19 OPERATING EXPENSES

Salaries, allowances and other benefits		294,868,419	265,616,796
Medicines supplies		198,987,647	161,646,692
Donation expenses	19.1	10,083,594	510,000
Vehicle and transportation		14,220,101	13,283,699
Rent, rates and taxes		9,232,140	6,899,441
Utilities		19,938,967	14,758,783
Repair and maintenance		20,751,375	37,655,537
Communications		8,918,981	8,590,014
Advertisement		52,350	1,765,196
Printing and stationery		9,093,673	9,719,050
Depreciation		36,976,160	34,229,963
Amortization	6	1,317,276	1,323,318
Training cost		3,070,335	7,798,840
Travelling & Conveyance		33,271,492	26,748,844
Research & Publications		507,611	20,000
		<u>661,290,121</u>	<u>590,566,173</u>

- 19.1 This represents the school fee paid by the Trust on behalf of orphan students.



	Note	2024 Rupees	2023 Rupees
<b>20 ADMINISTRATIVE EXPENSES</b>			
Salaries, allowances and other benefits		27,880,021	22,616,103
Vehicle and transportation		791,751	1,386,330
Rent, rates and taxes		4,595,486	3,917,335
Utilities		5,147,068	3,309,062
Repair and maintenance		5,295,980	2,553,821
Communications		2,433,767	2,044,520
Printing and stationery		425,392	619,900
Travelling & Conveyance		17,300	19,968
Advertisement		10,800	490,032
Medical Supplies		19,582	-
Depreciation	5	4,108,462	3,768,640
		<u>50,725,609</u>	<u>40,725,711</u>
<b>21 OTHER EXPENSES</b>			
Auditors' remuneration		461,985	324,600
Legal and professional charges		8,473,233	6,856,574
Bank charges		56,866	19,024
Insurance expense		13,726,007	10,318,067
Miscellaneous expenses		165,950	5,922,556
		<u>22,884,041</u>	<u>23,440,821</u>
<b>22 OTHER INCOME</b>			
Profit on savings accounts		47,702,296	18,775,427
Others		2,865,505	2,849,368
		<u>50,567,801</u>	<u>21,624,795</u>
<b>23 CASH AND CASH EQUIVALENT</b>			
Short term investments	11	-	120,000,000
Cash and bank balances	12	835,997,182	582,718,405
		<u>835,997,182</u>	<u>702,718,405</u>

## REMUNERATION TO THE CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amount charged in these financial statements for remuneration, including all benefits to executive and other employees of the trust is as follows:

	2024				2023			
	Chief Executive Officer	Directors	Executives	Total	Chief Executive Officer	Directors	Executives	Total
	(Rupees)							
Remuneration	10,309,092	-	74,303,160	84,612,252	9,818,181.82	-	46,992,621.82	56,810,803.64
House rent allowance	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-
Provident fund	-	-	-	-	-	-	-	-
Retirement benefits	-	-	-	-	-	-	-	-
Others -Medical allowance	1,030,909	-	7,430,316	8,461,225	981,818.18	-	4,699,262.18	5,681,080.36
	11,340,001	-	81,733,476	93,073,477	10,800,000	-	51,691,884	62,491,884
Number of persons	1	6	38		1	5	22	

## 25 TRANSACTIONS WITH RELATED PARTIES

Related parties include trustees, entities where the board of trustees hold directorship and key management personnel. Transaction with related parties during the year are as follows:

	2024 Rupees	2023 Rupees
<b>25.1 Transactions during the year</b>		
<b>Entities under common Trustees</b>		
Non-zakat funds received from Child Life Foundation	-	17,137,914
Non-zakat funds received from Bharucha & Company	1,405,140	3,672,000
<b>Key management personnel</b>		
Non-zakat funds received	1,732,000	565,000

### 25.2 Balance at year end

No amount is due to / from related parties at the reporting date (2023: nil).

## 26 FINANCIAL INSTRUMENTS BY CATEGORY

### Financial assets at amortised cost

Short-term investment	-	120,000,000
Loan, advances and other receivable	1,442,821	1,204,663
Short term deposits and prepayments	8,429,381	8,646,480
Bank balances	835,997,182	582,718,405
	<u>845,869,384</u>	<u>712,569,548</u>



	2024 Rupees	2023 Rupees
<b>Financial liabilities at amortized cost</b>		
Deferred grants	323,504,527	477,039,917
Trade and other payables	49,679,064	27,182,345
	<u>373,183,591</u>	<u>504,222,262</u>

## 26.1 Fair value of financial instrument

The carrying amount of all the financial assets and financial liabilities are estimated to approximate their respective fair values.

	2024	2023
<b>27 NUMBER OF EMPLOYEES</b>		
Total number of employees as at year end	<u>618</u>	<u>599</u>
Average number of employees during the year	<u>668</u>	<u>644</u>

## 28 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified where necessary to facilitate comparison, however, following significant rearrangements / reclassifications have been made in these financial statements:

### Statement of income and expenditure

Description	From	To	2023 Rupees
Capital grant	Grant income	Deferred income realised	45,586,106
Ration and donation expenses	Other expense	Operating expenses	510,000
Donation income			

## 29 DATE FOR AUTHORIZATION FOR ISSUE

These financial statements have been authorized for issue on 17 MAR 2025 by the Board of Trustees.

**30 GENERAL**

Figures have been rounded off to the nearest Rupee unless otherwise stated. <sup>h</sup>



**CHIEF OPERATING OFFICER**



**TRUSTEE**