

FINANCIAL STATEMENTS
(AUDITED)

MUKHTARAN RAFIQ FOUNDATION

FINANCIAL YEAR 2020-21

COMPILED BY
HASNAIN ALI & CO.
CHARTERED ACCOUNTANTS



Chartered Accountants
YOUR TRUSTED PARTNER



ENTERPRISE WORLDWIDE
AN INTERNATIONAL ASSOCIATION OF ACCOUNTANTS & ADVISORS

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INDEPENDENT AUDITOR'S REPORT

To the Trustees of the Mukhtaran Rafiq Foundation

Opinion

We have audited the financial statements of **Mukhtaran Rafiq Foundation** ("the Trust"), which comprise the statement of financial position as at June 30, 2021, and the income and expenditure account, statement of changes in fund balance, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Trust as at June 30, 2021, and of its financial performance and its statement of changes in fund balance 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 Fund in accordance with the 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 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 Trustees are 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 Trustees 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, Trustees are responsible for assessing the Fund 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 Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's 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 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 Fund'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 Fund'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 Fund 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.

Mukhtaran Rafiq Foundation
Statement of Financial Position
As at June 30, 2021

	Note	2021 ----- Rupees -----	2020
ASSETS			
NON-CURRENT ASSETS			
Operating fixed assets	3	41,611,152	34,428,207
CURRENT ASSETS			
Stock	4	2,901,470	3,694,878
Advance against expenses		100,398	100,398
Cash and bank balances	5	1,355,389	860,139
		4,357,257	4,655,415
TOTAL ASSETS		45,968,409	39,083,622
CURRENT LIABILITIES			
Accrued expenses	6	1,240,709	818,967
Creditors		251,915	8,209
		1,492,624	827,176
NET ASSETS		44,475,785	38,256,446
REPRESENTED BY:			
General fund		44,475,785	38,256,446
		44,475,785	38,256,446

The annexed notes, from 1 to 12, form an integral part of these financial statements.


PRESIDENT

President,
Mukhtaran Rafique Foundation
Lahore


FINANCE SECRETARY

Finance Secretary
Mukhtaran Rafiq Foundation


GENERAL SECRETARY

General Secretary
Mukhtaran Rafique Foundation
Lahore

Mukhtaran Rafiq Foundation
Income and Expenditure Account
For the Year Ended June 30, 2021

		2021	2020
	Note	----- Rupees -----	
INCOME			
Receipts	7	42,345,453	32,584,026
ADMIN AND MANAGEMENT EXPENSES			
Staff salaries admin staff		3,467,712	2,708,452
Software maintenance		60,000	15,000
Printing and stationery		404,644	190,649
Postage and telegram		1,940	680
Eid hide collection charges		-	48,550
Bank charges		1,589	6,887
Fund raising expense		776,741	24,587
Miscellaneous expenses		193,301	125,767
Advertisement expense		164,393	176,570
Total Admin and Management Expenses		5,070,319	3,297,142
OPERATIONAL EXPENSES			
Staff salaries medical staff		8,091,327	6,319,720
Medicine consumed	8	13,496,706	10,786,727
Dental and laboratory expenses		890,674	1,240,771
Consultancy charges		1,166,508	605,514
Lunch for general public		554,285	-
Rashan distribution		246,380	-
Utilities expenses		1,130,671	902,878
Donation expenses		748,955	1,282,702
Operation theater expenses		1,042,596	232,850
Office supplies consumed		-	126,072
Repair and maintenance		554,766	250,367
Travelling and conveyance		113,436	86,631
Waste management expense		302,371	211,828
Fuel expense		57,582	55,767
Balances written off		297,516	-
Legal and professional charges		42,500	-
Depreciation on operating fixed assets	3	2,319,521	1,515,159
Total Operational Expenses		31,055,794	23,616,986
TOTAL EXPENSES		36,126,113	26,914,128
Surplus for the year		6,219,340	5,669,898

The annexed notes, from 1 to 12, form an integral part of these financial statements.

PRESIDENT

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Mukhtaran Rafique Foundation
Lahore

FINANCE SECRETARY

Finance Secretary
Mukhtaran Rafiq Foundation

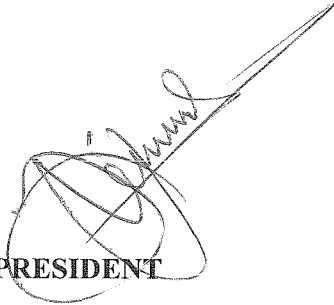
GENERAL SECRETARY

General Secretary
Mukhtaran Rafique Foundation
Lahore

Mukhtaran Rafiq Foundation
Statement of Changes in Fund Balance
For the year ended June 30, 2021

	Note	Accumulated Surplus Rupees
Balance as at July 01, 2019		32,586,548
Surplus for the year		5,669,898
Balance as at June 30, 2020		<u>38,256,446</u>
Balance as at July 01, 2020		38,256,446
Surplus for the year		6,219,340
Balance as at June 30, 2021		<u>44,475,785</u>

The annexed notes, from 1 to 12, form an integral part of these financial statements.



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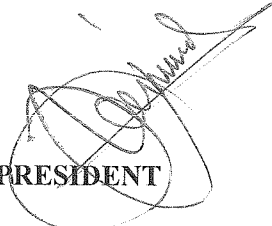
GENERAL SECRETARY

General Secretary
Mukhtaran Rafique Foundation
Lahore

Mukhtaran Rafiq Foundation
Statement of Cash Flows
For the year ended June 30, 2021

	2021	2020
	----- Rupees -----	
CASH FLOW FROM OPERATING ACTIVITIES		
Surplus for the year	6,219,340	5,669,898
Adjustment of non cash items:		
Depreciation on operating fixed assets	2,319,521	1,515,159
	8,538,860	7,185,057
Working capital changes:		
Decrease/(increase) in stock	793,408	(1,660,954)
Decrease in receivables	-	18,861
(Increase)/decrease in advances and prepayments		-
(Decrease) / increase in current liabilities	665,448	(4,500)
	1,458,856	(1,646,593)
Net cash generated from operating activities	9,997,716	5,538,464
CASH FLOW FROM INVESTING ACTIVITIES		
Payments for the acquisition of operating fixed assets	(9,502,466)	(6,300,163)
Net cash (used in) investing activities	(9,502,466)	(6,300,163)
CASH FLOW FROM FINANCING ACTIVITIES		
Net increase in cash and cash equivalents	495,250	(761,699)
Cash and cash equivalents at the beginning of the year	860,139	1,621,838
Cash and cash equivalents at the end of the year	1,355,389	860,139

The annexed notes, from 1 to 12, form an integral part of these financial statements.


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President,
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Lahore


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Lahore

Mukhtaran Rafiq Foundation
Notes to the Financial Statements
For the year ended June 30, 2021

1 NATURE OF BUSINESS

Mukhtaran Rafiq Foundation ("the Trust") has been registered under the voluntary social welfare agencies ordinance, 1961 (XLVI of 1961) and started its operation on September 27, 2011. The registered office of the trust is located at 146-saeed block canal bank scheme, fateh garh, Lahore. It providing medical services in respect of gynae, dental, laboratory and general medical services.

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Accounting Convention

These financial statements have been prepared under the historical cost convention.

2.2 Operating fixed assets

These are stated at cost less accumulated depreciation and any identified impairment loss. Depreciation is charged to income and expenditure account on reducing balance method so as to write off the historical cost of an asset over its estimated useful life at the rates given in note 3.

Maintenance and normal repairs are charged to income as and when incurred. Gains or losses arising on the sale of fixed assets are included in income.

2.3 Revenue recognition

Fee, donation and other income are recognized on receipt basis.

2.4 Expenditure

Expenditures are recognized when these are paid.

2.5 Provisions

Provisions are recognized when the Hospital has a present obligation as a result of past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made.

2.6 Foreign currency

Foreign currency transactions are converted into Pak Rupees using the rates prevailing on the date of transaction.

2.7 Trade and other payables

Trade and other payables are carried at cost which is the fair value of the consideration to be paid in future for goods and services.

3 OPERATING FIXED ASSETS

	2021	2020
Rupees		
	41,611,152	34,428,207

	Amount in Rupees								
	Land -Hospital	Building	Medical Equipments	Furniture and Fixtures	Office Equipments	Computer	Vehicles	CWIP	Total
COST									
Balance as at July 01, 2019	4,505,000	10,271,528	3,658,844	864,850	2,248,685	-	550,000	13,165,827	35,264,734
Additions	-	-	303,750	6,900	311,675	-	-	5,677,838	6,300,163
Transferred from CWIP during the year	-	18,843,665	-	-	-	-	-	(18,843,665)	-
Balance as at June 30, 2020	4,505,000	29,115,193	3,962,594	871,750	2,560,360	-	550,000	-	41,564,897
Balance as at July 01, 2020	4,505,000	29,115,193	3,962,594	871,750	2,560,360	-	550,000	-	41,564,897
Additions	-	1,767,174	4,147,945	108,000	3,646,950	119,500	-	-	9,789,569
Disposal	-	-	-	-	-	-	(550,000)	-	(550,000)
Balance as at June 30, 2021	4,505,000	30,882,367	8,110,539	979,750	6,207,310	119,500	-	-	50,804,466

DEPRECIATION

Balance as at July 01, 2019	-	1,905,305	1,939,760	594,822	969,413	-	212,231	-	5,621,531
Charge for the year		889,403	294,910	41,539	238,642	-	50,665	-	1,515,159
Balance as at June 30, 2020	-	2,794,707	2,234,669	636,362	1,208,055	-	262,897	-	7,136,690
Balance as at July 01, 2020	-	2,794,707	2,234,669	636,362	1,208,055	-	262,897	-	7,136,690
Disposal									
Charge on opening		1,316,024	259,189	35,308	202,846	-	-	-	1,813,367
Charge on addition	-	14,961	109,067	5,850	372,813	3,463			506,154
Charge for the year		1,350,985	368,256	41,158	575,659	3,463		-	2,319,521
Disposal during the year							(262,897)		(262,897)
Balance as at June 30, 2021	-	4,125,692	2,602,925	677,520	1,783,714	3,463	-	-	9,193,314

Balance as at June 30, 2020	4,505,000	26,320,486	1,727,925	235,388	1,352,305	-	287,103	-	34,428,207
Balance as at June 30, 2021	4,505,000	26,756,675	5,507,614	302,230	4,423,596	116,038	-	-	41,611,152
Depreciation rate (per annum)		5%	15%	15%	15%	15%	15%		

		2021	2020
		----- Rupees -----	
4 STOCK			
Closing stock	8.1	2,901,470	3,694,878
5 CASH AND BANK BALANCES			
Cash in hand		206,291	118,789
Cash at bank - current account		1,149,098	741,350
		<u>1,355,389</u>	<u>860,139</u>
6 ACCRUED EXPENSES			
Staff salaries payable		993,054	755,554
Security guard salary payable		37,000	17,400
Other expenses payable		210,655	46,013
		<u>1,240,709</u>	<u>818,967</u>
7 RECEIPTS			
Receipts from patients		4,852,630	6,495,810
Receipts from gynae department		655,230	380,900
Receipts from dental department		306,200	419,900
Receipts from laboratory		1,920,255	2,185,570
Receipts from operation theater		1,752,300	624,000
Donation income in cash	7.1	17,191,494	8,509,872
Donation income in kind		13,309,636	11,646,429
Tickets sales		50,300	36,720
Consultant fee income		899,650	309,550
Other income		1,407,758	1,975,275
		<u>42,345,453</u>	<u>32,584,026</u>
7.1 Donation has been reclassified in income and expenditure account instead in fund movement.			
8 MEDICINE CONSUMED			
Opening stock		3,694,878	2,033,924
Purchases		993,662	4,147,255
Donation received in kind		11,709,636	8,300,426
Closing stock	8.1	(2,901,470)	(3,694,878)
		<u>13,496,706</u>	<u>10,786,727</u>
9 CONTINGENCIES AND COMMITMENTS			

There are no contingencies and commitments as at June 30, 2021 and 2020.

10 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on Oct 01, 2021 by president.

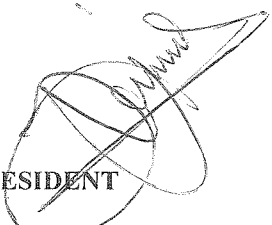
11 EVENTS AFTER THE END OF THE STATEMENT OF FINANCIAL POSITION DATE

There is no reportable event occurring after the end of the statement of financial position date.

12 GENERAL

12.1 Corresponding figures have been re-arranged and re-classified wherever necessary for the purpose of comparison and to reflect more appropriate presentation of events.


12.2 Figures have been rounded off to the nearest of rupees.



PRESIDENT
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