
SSWAB TRUST

FINANCIAL STATEMENTS

FOR THE YEAR ENDED
JUNE 30, 2020



S.M. SUHAIL & CO.
Chartered Accountants

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Leading Edge Alliance



leading **edge** alliance
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INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF TRUSTEES

Opinion

We have audited the financial statements of **SSWAB Trust (the Trust)** which comprise the statement of financial position as at June 30, 2020, and its statement of income and expenditure, statement of cash flows for the year then ended, and notes to these financial statements, including a summary of accounting policies (here-in-after referred to as the financial statements).

In our opinion, the accompanying financial statements present fairly in all material respects, the financial position of the Trust as at June 30, 2020 and of its financial activities and its cash flows for the year then ended in accordance with the accounting framework as described in note 2 to these financial statements (adopted accounting framework).

Basis for Opinion

We conducted our audit in accordance with the auditing standards (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 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 evidences we have obtained are 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 Trustees (the Board) is responsible for the preparation and fair presentation of the financial statements in accordance with the adopted accounting framework, and for such internal control as the Board determine 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 is responsible for assessing the Trust's ability to continue as 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 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

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level of assurance, but is not a guarantee that audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatement can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decision of user taken on 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 scepticism throughout the audit. We also:

- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risk, and obtain audit evidence that is sufficient and appropriate to provide 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, misrepresentation, or the override of 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.
- Evaluating the appropriateness of accounting policies used and reasonableness of accounting estimates and related disclosures made by management.
- Concluding on the appropriateness of management's use of 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 going concern. If we conclude that material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures that are inadequate, to modify our opinion. Our conclusions 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 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 the manner that achieve fair presentation.

We are communicating to 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.

S.M. Suhail & Co.

S.M. Suhail & Co.

Chartered Accountants

Karachi.

Engagement Partner: S.M. Suhail, FCA

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Our Ref: SMS-A-0702021

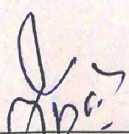
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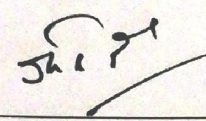
SSWAB TRUST
Statement of Financial Position
As at June 30, 2020

ASSETS		2020	2019
	Note	(Amounts in PKR)	
Non Current Assets			
Property, plant and equipment	4	10,484,166	7,004,789
Security deposit for rent		570,000	570,000
Total Non Current Assets		11,054,166	7,574,789
Current Assets			
Investments	5	7,000,000	-
Members' subscription receivable		810,000	-
Loan to employees		29,667	19,667
Advance income tax		76,308	69,486
Advances and prepayments	6	381,750	27,500
Cash and bank balances	7	10,704,159	12,578,522
Total Current Assets		19,001,884	12,695,174
Current Liabilities			
Accrued and other payable	8	588,377	2,222,733
Unearned subscription from members		1,225,000	-
Provision for leave encashment		23,613	-
Total Current Liabilities		1,836,990	2,222,733
Net Current Assets		17,164,894	10,472,441
Non - Current Liabilities			
Deferred capital grant	9	1,142,772	1,227,322
Total Non - Current Liabilities		1,142,772	1,227,322
NET ASSETS		27,076,288	16,819,908
REPRESENTED BY			
Funds			
General fund	10	27,076,288	16,819,908
TOTAL FUNDS		27,076,288	16,819,908

The annexed notes from 1 to 14 form an integral part of these financial statements.

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 General Secretary

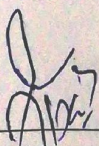

 President

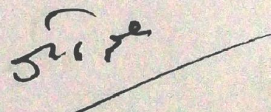
SSWAB TRUST
Statement of Income and Expenditure
For the year ended June 30, 2020

INCOME	Note	2020	2019
		(Amounts in PKR)	
Donations		17,630,193	19,776,802
Donations for dialysis		3,064,250	2,291,300
Zakat		7,907,023	-
Members' monthly subscription		1,530,000	-
Membership fees		120,000	30,000
Other income	11	472,999	74,940
Released from deferred capital grant		182,320	188,135
Total Income		30,906,785	22,361,177
EXPENDITURES			
Administrative and general expenses	9	20,646,887	15,498,355
Bank charges		3,518	2,825
Loss on disposal of old generator		-	350,061
Total Expenditures		20,650,405	15,851,241
Surplus for the year		10,256,380	6,509,936

The annexed notes from 1 to 14 form an integral part of these financial statements.

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 General Secretary


 President

SSWAB TRUST

Notes to and forming part of these Financial Statements

For the year ended June 30, 2020

Note 1	NATURE AND STATUS
	SSWAB Trust was established under the Trust Act, 1988, in the month of December, 2009. SSWAB is primarily engaged in providing concessional dialysis service to general public. However, free of cost service is also provided to those who cannot afford it. Its main source of income is donation, dialysis fee and membership fee.
Note 2	BASIS OF PREPARATION
2.1	Statement of Compliance
	These financial statements have been prepared in accordance with the Guideline for Accounting and Financial Reporting by Non-Profit Organizations issued by the Institute of Chartered Accountants of Pakistan.
2.2	Basis of Measurement
	These financial statements are prepared under the historical cost convention and an accrual basis of accounting, except for donations and dialysis fee which is recorded when received.
Note 3	SIGNIFICANT ACCOUNTING POLICIES
3.1	Property, plant, Equipment and Depreciation
	<ul style="list-style-type: none">▪ These are stated at cost less accumulated depreciation and impairment, if any.▪ Depreciation is charged using the reducing balance method by applying rates specified in the relevant note.▪ Depreciation is charged from the month in which the asset is available for use and continues until the month of disposal.▪ Maintenance and normal repairs are charged to income as and when incurred while cost of major replacements and improvements if any are capitalized.▪ Gain or loss on disposal of fixed assets is charged to current income.
3.2	Revenue
	<ul style="list-style-type: none">▪ Donation income, dialysis fee are being recognized on receipt basis.▪ Subscription from members are recorded on accrual basis i.e income shall be recorded when due irrespective of actual receipt.
3.3	Fund Accounting
	These financial statements are maintained substantially in accordance with the principles of fund accounting. Under these principles, resources are classified for accounting and reporting purposes, into funds that are in accordance with the activities specified by donor. In fund accounting funds are distinguished in two groups which are restricted funds and un-restricted funds.
3.4	Restricted Funds
	Funds received for specific purposes are classified as restricted funds with separate accounting records being maintained for each account. Restricted funds representing donations and related other income and cost recoveries are classified as restricted balance. Expenses incurred out of restricted funds are reflected in the income and expenditure account, with equal amount being recognized as revenue and reflected as funds utilized.
3.5	Un-restricted Funds
	Funds received for on-going operations, without any restrictions are classified as un-restricted funds.
3.6	Taxation
	The donation received by the Trust are exempt under the Income Tax Ordinance, 2001.

SSWAB TRUST

**Notes to and forming part of these Financial Statements
For the year ended on June 30, 2020**

Particulars	(Amounts in PKR)												
	COST					DEPRECIATION					Book Value As At June 30, 2020	Rate %	
	As At July 1, 2019	Addition	Disposal	As At June 30, 2020	As At July 1, 2019	Charge For The Year	Elimination on Disposal	As At June 30, 2020	As At June 30, 2020				
OWNED ASSETS													
Building renovation	1,268,600		-	1,268,600	116,590	57,601	-	174,190	1,094,410	5			
Dialysis machine	3,275,000	2,650,000	-	5,925,000	2,204,426	460,586	-	2,665,012	3,259,988	15			
Furniture and fixture	133,585		-	133,585	13,211	12,037	-	25,248	108,337	10			
Medical equipment	86,445		-	86,445	53,537	4,936	-	58,473	27,972	15			
Electrical appliances	895,075	174,000	-	1,069,075	218,666	113,998	-	332,665	736,410	15			
Diesel generator	2,129,000			2,129,000	212,900	287,415		500,315	1,628,685	15			
RO plant	500,000	2,000,000	-	2,500,000	193,695	245,946	-	439,641	2,060,359	15			
Fiber water tanks	318,650		-	318,650	23,202	44,317	-	67,519	251,131	15			
Patient bed	32,000		-	32,000	16,634	2,305	-	18,939	13,061	15			
Multimedia	160,000		-	160,000	64,848	14,273	-	79,121	80,879	15			
Sign boards	25,000		-	25,000	3,646	5,339	-	8,984	16,016	25			
Computer and allied equipment	88,170		-	88,170	12,702	11,320	-	24,022	64,148	15			
	8,911,525	4,824,000	-	13,735,525	3,134,057	1,260,073	-	4,394,130	9,341,395				
DONATED ASSETS													
Furniture and fixture	269,400		-	269,400	38,292	23,111	-	61,403	207,997	10			
Medical equipment	49,500		-	49,500	38,044	1,718	-	39,762	9,738	15			
Dialysis machine	1,000,000		-	1,000,000	150,000	127,500	-	277,500	722,500	15			
Electrical appliances	165,300	97,770	-	263,070	38,346	28,820	-	67,166	195,904	15			
Patient bed	35,000		-	35,000	27,198	1,170	-	28,368	6,632	15			
	1,519,200	97,770	-	1,616,970	291,879	182,320	-	474,199	1,142,771				
June 30, 2020	10,430,725	4,921,770	-	15,352,495	3,425,936	1,442,393	-	4,868,329	10,484,166				
June 30, 2019	6,012,445	5,563,280	(1,145,000)	10,430,725	2,932,463	888,412	(394,939)	3,425,936	7,004,789				

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Notes to and forming part of these Financial Statements

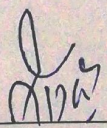
For the year ended June 30, 2020

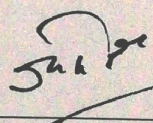
Note		2020	2019
5	INVESTMENTS	(Amounts in PKR)	
	Held to maturity		
	Term deposits	7,000,000	-
	Total Cash And Bank Balances	7,000,000	-
	This represents investment in term deposits of Meezan Bank Limited having average profit margin of 9.06% per annum.		
6	ADVANCES AND PREPAYMENTS		
	Advance for certification	381,750	-
	Prepaid	-	27,500
	Total Cash And Bank Balances	381,750	27,500
7	CASH AND BANK BALANCES		
	Cash in hand	3,770	35,264
	Cash at bank		
	Current account	10,009,533	12,543,258
	Saving account	690,856	-
		10,700,389	12,543,258
	Total Cash And Bank Balances	10,704,159	12,578,522
8	ACCRUED AND OTHER PAYABLE		
	Payable to vendor	206,560	889,041
	Audit fee payable	100,000	97,200
	Professional charges payable	175,825	954,400
	Withholding tax payable	93,835	298,811
	Other accrued liabilities	12,157	80,481
	Total Accrued And Other Payable	588,377	2,319,933
9	DEFERRED CAPITAL GRANT		
	Opening balance	1,227,322	59,057
	Donation in kind	97,770	1,356,400
	Less: Released to income	(182,320)	(188,135)
	Total Deferred Capital Grant	1,142,772	1,227,322
10	GENERAL FUND		
	Opening balance	16,819,908	10,309,972
	Surplus for the year	10,256,380	6,509,936
	Total General Fund	27,076,288	16,819,908
11	OTHER INCOME		
	Profit on TDR	331,721	-
	Receipt against one decade celebration	123,760	-
	Profit on saving account	2,518	-
	Scrap sales	15,000	74,940
	Total Other Income	472,999	74,940

SSWAB TRUST

Notes to and forming part of these Financial Statements
For the year ended June 30, 2020

Note		2020	2019
12	ADMINISTRATIVE AND GENERAL EXPENSES	(Amounts in PKR)	
	Salary allowances and other benefits	5,330,742	3,805,612
	Consumables	6,562,665	4,914,506
	Rent expense	1,977,084	1,506,560
	Utility expense	490,767	289,391
	Repair and maintenance	994,758	810,239
	Renovation	-	145,450
	Office expenses	176,194	145,831
	Diesel	2,012,865	1,254,162
	Printing and stationery	45,985	91,311
	Entertainment	88,956	87,803
	Depreciation expense	1,442,393	888,412
	Laundry	40,340	34,457
	Travelling expense	22,280	11,800
	Laboratory	378,914	130,240
	Audit fee	107,776	97,200
	Legal and professional	443,124	1,181,200
	Website	63,200	75,740
	Security guard	466,694	-
	Miscellaneous	2,150	28,440
	Total Administrative And General Expenses	20,646,887	15,498,355
Note	GENERAL		
13			
	Figures have been rounded off to the nearest of Rupee.		
Note	DATE OF AUTHORIZATION FOR ISSUE		
14			
	These financial statements have been authorized for issue on <u>02 OCT 2020</u> by the Managing Committee of the SSWAB.		


General Secretary


President