

**SSWAB TRUST DIALYSIS CENTRE
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
JUNE 30, 2021**



S.M. SUHAIL & CO.
Chartered Accountants





INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of
Report on Audit of the

SSWAB TRUST DIALYSIS CENTRE
FINANCIAL STATEMENTS AS OF JUNE 30, 2021

Opinion

We have audited the financial statements of **SSWAB Trust Dialysis Centre (the Trust)** which comprise the statement of financial position as at June 30, 2021, and its statement of income and expenditure, statement of cash flows for the year then ended, and notes to the 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, 2021 and of its financial performance and its cash flows for the year then ended in accordance with the with the approved accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with the International Standards of 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 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 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 skepticism 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.
- Conclude 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 conclusion is 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 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 Mr. S.M. Suhail, FCA.

S.M. Suhail +2

S.M. Suhail & Co.
Chartered Accountants
Karachi.

Our Ref: SMS-A-2942022

Date: 20 NOV 2021


SSWAB Trust Dialysis Centre
Statement of Financial Position
As at June 30, 2021

ASSETS	Note	2021	2020
		(Amounts in PKR)	
Non Current Assets			
Property, plant and equipment	4	14,445,969	10,484,166
Capital work in progress	5	53,281,229	-
Security deposit for rent		-	570,000
Total Non Current Assets		67,727,198	11,054,166
Current Assets			
Investments	6	-	7,000,000
Members' subscription receivable		375,000	810,000
Loan to employees		5,000	29,667
Advance income tax		88,426	76,308
Advances and prepayments	7	-	381,750
Cash and bank balances	8	16,787,815	10,704,159
Total Current Assets		17,256,241	19,001,884
Current Liabilities			
Accrued and other payable	9	12,114,950	588,377
Unearned subscription from members		320,000	1,225,000
Provision for leave encashment		-	23,613
Total Current Liabilities		12,434,950	1,836,990
Net Current Assets		4,821,291	17,164,894
NET ASSETS		72,548,490	28,219,060
REPRESENTED BY			
Funds			
Deferred capital grant	10	5,155,141	1,142,772
General fund	11	67,393,349	27,076,288
TOTAL FUNDS		72,548,490	28,219,060

The annexed notes from 1 to 15 form an integral part of these financial statements.



 General Secretary



 President

SSWAB Trust Dialysis Centre
Statement of Income and Expenditure
For the year ended June 30, 2021

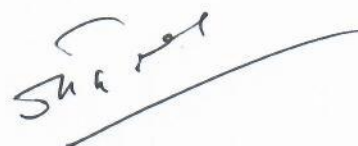
INCOME	Note	2021	2020
		(Amounts in PKR)	
Donation		47,414,190	17,630,193
Donation against dialysis		2,301,350	3,064,250
Zakat		9,838,630	7,907,023
Members' monthly subscription		2,400,000	1,530,000
Membership Fees		10,000	120,000
Other Income	12	549,655	472,999
Released from deferred capital grant		351,792	182,320
Total Income		62,865,617	30,906,785
EXPENDITURES			
Administrative and general expenses	13	22,548,557	20,646,887
Bank charges		-	3,518
Total Expenditures		22,548,557	20,650,405
Surplus for the year		40,317,060	10,256,380

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The annexed notes from 1 to 15 form an integral part of these financial statements.



General Secretary



President


SSWAB Trust Dialysis Centre
Statement of Cash Flows
For the year ended June 30, 2021

CASH FLOW FROM OPERATING ACTIVITIES	2021	2020
	(Amounts in PKR)	
Surplus for the year	40,317,060	10,256,380
Adjustments for:		
Depreciation	1,816,358	1,442,393
Released from deferred capital grant	(351,792)	(182,320)
Provision for leave encashment	(23,613)	23,613
Changes In Working Capital	41,758,013	11,540,066
(Increase) / decrease in current assets:		
Members' subscription receivable	435,000	(810,000)
Loan to employees	24,667	(10,000)
Advances, prepayments and security deposit	951,750	(354,250)
Increase / (decrease) in current liabilities:		
Accrued and other liabilities	11,526,573	(1,634,356)
Unearned subscription from members	(905,000)	1,225,000
Cash Inflow From Operations	53,791,003	9,956,460
Advance tax deducted	(12,118)	(6,822)
Net Cash Inflow From Operating Activities	53,778,885	9,949,638
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets and CWIP	(54,695,229)	(4,824,000)
Investment sold/ (purchased)	7,000,000	(7,000,000)
Net Cash (Outflow) From Investing Activities	(47,695,229)	(11,824,000)
Net inflow in cash and cash equivalents	6,083,656	(1,874,362)
Cash & bank balances at the beginning of the year	10,704,159	12,578,521
Cash and bank balances at the end of the year	16,787,815	10,704,159

The annexed notes from 1 to 15 form an integral part of these financial statements.



 General Secretary



 President

SSWAB Trust Dialysis Centre
Notes to the Financial Statements
For the year ended June 30, 2021

Note	LEGAL STATUS AND BUSINESS
1	
	SSWAB Trust Dialysis Centre was established under the Trust Act, 1988 on 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 from the general public and the member dialysis fee from the patients and membership fee from members' monthly subscription.
Note	BASIS OF PREPARATION
2	
2.1	Statement of Compliance
	These financial statements have been prepared in accordance with the approved accounting framework as applicable in Pakistan on Not for Profit Organizations and Accounting and Financial Reporting Standard for Small Sized Entities (AFRS for SSEs). Both are issued by the Institute of Chartered Accountants of Pakistan (ICAP). Where the guideline contained in Accounting standard for NPOs conflicts with requirements of AFRS for SSEs, the requirements of AFRS for SSEs shall prevail.
2.2	Basis of Measurement
	These accounts are prepared under the historical cost convention and accrual basis of accounting is followed except for donations, dialysis fee and zakat which is recorded on receipt basis.
Note	SIGNIFICANT ACCOUNTING POLICIES
3	
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	Donations
	Donation income, dialysis fee and zakat are being recognized on receipt basis.
3.3	Other Income
	Profits on excess cash invested in TDRs and retained in the Profit and loss accounts are recorded when the Trust's right to receive is established.
3.4	Fund Accounting
	These accounts 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.

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SSWAB Trust Dialysis Centre
Notes to the Financial Statements
For the year ended June 30, 2021

3.5	Restricted Funds
	<p>Funds received for specific purposes are classified as restricted funds with separate accounting records being maintained for each account.</p> <p>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.</p>
3.6	Un-restricted Funds
	<p>Funds received for on-going operations, without any restrictions are classified as un-restricted funds.</p>
3.7	Taxation
	<p>The donation received by the Trust are exempt under the Income Tax Ordinance, 2001.</p>

2021/06/30

SSWAB Trust Dialysis Centre
Notes to the Financial Statements
For the year ended on June 30, 2021

Particulars	(Amounts in PKR)									
	COST			DEPRECIATION				Book Value		
	As At July 1, 2020	Addition	Disposal	As At June 30, 2021	As At July 1, 2020	Charge For The Year	Elimination on Disposal	As At June 30, 2021	As At June 30, 2021	Rate %
OWNED ASSETS										
Building renovation	1,268,600	-	-	1,268,600	174,190	54,720	-	228,911	1,039,689	5
Dialysis machine	5,925,000	1,400,000	-	7,325,000	2,665,012	663,998	-	3,329,010	3,995,990	15
Furniture and fixture	133,585	-	-	133,585	25,248	10,834	-	36,082	97,503	10
Medical equipment	86,445	-	-	86,445	58,473	4,196	-	62,669	23,776	15
Electrical appliances	1,069,075	14,000	-	1,083,075	332,665	112,074	-	444,739	638,336	15
Diesel generator	2,129,000	-	-	2,129,000	500,315	244,303	-	744,618	1,384,382	15
RO plant	2,500,000	-	-	2,500,000	439,641	309,054	-	748,695	1,751,305	15
Fiber water tanks	318,650	-	-	318,650	67,519	37,670	-	105,189	213,461	15
Patient bed	32,000	-	-	32,000	18,939	1,959	-	20,898	11,102	15
Multimedia	160,000	-	-	160,000	79,121	12,132	-	91,253	68,747	15
Sign boards	25,000	-	-	25,000	8,984	4,004	-	12,988	12,012	25
Computer and allied equipment	88,170	-	-	88,170	24,022	9,622	-	33,644	54,526	15
	13,735,525	1,414,000	-	15,149,525	4,394,130	1,464,566	-	5,858,696	9,290,829	
DONATED ASSETS										
Building	-	798,161	-	798,161	-	6,651	-	6,651	791,510	5
Furniture and fixture	269,400	-	-	269,400	61,403	20,800	-	82,202	187,198	10
Medical equipment	49,500	-	-	49,500	39,762	1,461	-	41,223	8,277	15
Dialysis machine	1,000,000	-	-	1,000,000	277,500	108,375	-	385,875	614,125	15
Generator	-	1,550,000	-	1,550,000	-	58,125	-	58,125	1,491,875	15
Electrical appliances	263,070	-	-	263,070	67,166	29,386	-	96,552	166,518	15
Patient bed	35,000	2,016,000	-	2,051,000	28,368	126,995	-	155,363	1,895,637	15
	1,616,970	4,364,161	-	5,981,131	474,199	351,792	-	825,991	5,155,140	
June 30, 2021	15,352,495	5,778,161	-	21,130,656	4,868,329	1,816,358	-	6,684,687	14,445,969	
June 30, 2020	10,430,725	4,921,770	-	15,352,495	3,425,936	1,442,393	-	4,868,329	10,484,166	

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SSWAB Trust Dialysis Centre
Notes to the Financial Statements
For the year ended June 30, 2021

Note		2021	2020
5	CAPITAL WORK IN PROGRESS	(Amounts in PKR)	
	Building renovation	20,610,000	-
	Uninstalled Electrical and Medical equipments	32,671,229	-
	Total Capital Work in Progress	53,281,229	-
5.1	Capital work in progress relates to the construction of a new premises located at C-161 Gulistan-e-jauhar, Karachi. Subsequent to the year end Trust has transferred all its operation to a new premises.		
6	INVESTMENTS		
	Held to maturity		
	Term deposits	-	7,000,000
	Total Investments	-	7,000,000
6.1	This represented investment in term deposits of Meezan Bank Limited having average profit margin of 9.06% per annum.		
7	ADVANCES AND PREPAYMENTS		
	Advance for certification (7.1)	-	381,750
	Total Advances and Prepayments	-	381,750
7.1	This represented practicing certificate obtained for providing dialysis services and the whole amount is amortized during the year.		
8	CASH AND BANK BALANCES		
	Cash in hand	9,990	3,770
	Cash at bank		
	Current account	14,838,339	10,009,533
	Saving account	1,939,486	690,856
		16,777,825	10,700,389
	Total Cash And Bank Balances	16,787,815	10,704,159
9	ACCRUED AND OTHER PAYABLE		
	Payable to vendor (9.2)	11,991,450	206,560
	Audit fee payable	106,920	100,000
	Professional charges payable	-	175,825
	Withholding tax payable	11,880	93,835
	Other accrued liabilities	4,700	12,157
	Total Accrued And Other Payable	12,114,950	588,377
9.2	This represents payable to the vendor for fixed assets (dialysis machines and building renovation work) purchased during the year.		

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SSWAB Trust Dialysis Centre
Notes to the Financial Statements
For the year ended June 30, 2021

Note		2021	2020
10	DEFERRED CAPITAL GRANT	(Amounts in PKR)	
	Opening balance	1,142,772	1,227,322
	Donation in kind	4,364,161	97,770
	Less: Released to income	(351,792)	(182,320)
	Total Deferred Capital Grant	5,155,141	1,142,772
11	GENERAL FUND		
	Opening balance	27,076,288	16,819,908
	Surplus for the year	40,317,060	10,256,380
	Total General Fund	67,393,349	27,076,288
12	OTHER INCOME		
	Profit on TDR	471,439	331,721
	Receipt against one decade celebration	-	123,760
	Profit on saving account	43,516	2,518
	Scrap sales	34,700	15,000
	Total Other Income	549,655	472,999
13	ADMINISTRATIVE AND GENERAL EXPENSES		
	Salary allowances and other benefits	5,913,514	5,330,742
	Consumables	5,069,108	6,562,665
	Rent expense	2,769,741	1,977,084
	Utility expense	395,842	490,767
	Repair and maintenance	1,620,687	994,758
	Office expenses	436,250	176,194
	Diesel	1,703,331	2,012,865
	Printing and stationery	28,617	45,985
	Entertainment	104,980	88,956
	Depreciation expense	1,816,358	1,442,393
	Laundry	25,990	40,340
	Travelling expense	57,090	22,280
	Laboratory	217,500	378,914
	Audit fee	118,800	107,776
	Legal and professional	502,473	443,124
	Website	53,400	63,200
	Security guard	698,819	466,694
	Miscellaneous	-	2,150
	Property tax	6,057	-
	Property agent commission C-161	260,000	-
	Unrecoverable subscription written off	750,000	-
	Total Administrative And General Expenses	22,548,557	20,646,887

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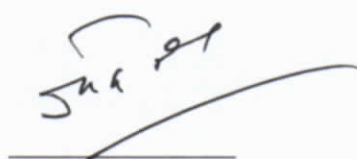
SSWAB Trust Dialysis Centre
Notes to the Financial Statements
For the year ended June 30, 2021

Note 14	GENERAL
	Figures have been rounded off to the nearest of Rupee.
Note 15	DATE OF AUTHORIZATION FOR ISSUE
	These financial statements have been authorized for issue on <u>20 NOV 2021</u> by the Managing Committee of the SSWAB.

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General Secretary



President