

Dowites 78 Operation Theatre Welfare Society

Financial Statements

For the year ended June 30, 2020

Audited by:

HYDER & COMPANY

CHARTERED ACCOUNTANTS

SF 10 & 11, 04th floor Shahnaz Arcade
Main Shaheed-e-millat Road, Karachi.

www.hyderandco.com

INDEPENDENT AUDITOR'S REPORT
To the Members Committee of DOWITES 78 OPERATION THEATRE WELFARE SOCIETY
Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of which comprise the statements of financial position as on **30th June, 2020** and income and expenditure account for the year then ended and with notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements fairly, in all material respects, (or give a true and fair view of) the financial position of **DOWITES 78 OPERATION THEATRE WELFARE SOCIETY** as at **30th June, 2020** and (of) its financial performance in accordance with accounting standard for Not for Profit Organizations (NPOs) issued by ICAP.

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibility under those standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Society in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for 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 Members Committee 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 Members Committee determines is necessary to enable the preparation of financial statements material misstatements, whether due to fraud or error.

In preparing the financial statements, Members Committee are responsible for assessing the society'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 society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the society'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 high level of assurance, but is

HYDER & COMPANY

Chartered Accountants

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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 the internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether material uncertainty exists related to events or conditions that may cast significant doubt on the society'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 society 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.

Date: 19, November, 2020

Place: Karachi


HYDER & COMPANY.
Chartered Accountants

Engagement Partner : Ahmer Zafar Siddiqui

DOWITES 78 OPERATION THEATRE WELFARE SOCIETY
STATEMENT OF FINANCIAL POSITION
AS ON JUNE 30, 2020

FUNDS AND LIABILITIES	Note	2020 Rupees	2019 Rupees
Fund			
General fund		103,172,639	107,998,225
Current liabilities			
Trade & Other Payables	4	1,474,579	2,571,419
TOTAL FUNDS & LIABILITIES			
		104,647,218	110,569,644
ASSETS			
Non-current assets			
Property, plant and equipment	5	86,010,976	89,653,266
Current assets			
Advances	6	4,000	2,000
Cash and bank balances	7	18,632,242	20,914,378
		18,636,242	20,916,378
TOTAL ASSETS			
		104,647,218	110,569,644

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


**Dowites'78' Operation Theatre
 Complex Civil Hospital Karachi.**
PRESIDENT

President


**Dowites'78' Operation Theatre
 Welfare Society Karachi**

FINANCE SECRETARY

Finance Secretary


**Dowites'78' Operation Theatre
 Welfare Society Karachi.**
General Secretary

General Secretary

DOWITES 78 OPERATION THEATRE WELFARE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

DOWITES 78 OPERATION THEATRE WELFARE SOCIETY

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED JUNE 30, 2020

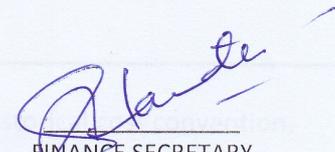
	Note	2020 Rupees	2019 Rupees
Receipts	8	43,850,695	41,232,356
Direct expenses	9	36,441,701	34,724,876
Administrative expenses	10	12,192,155	12,357,580
Financial charges	11	42,425	132,069
Net (Deficit) for the year		(4,825,586)	(5,982,169)
Surplus Brought Forward		107,998,225	113,980,394
Surplus transferred to general fund		<u>103,172,639</u>	<u>107,998,225</u>

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


**Dowites'78' Operation Theatre
 Complex Civil Hospital Karachi.**
 PRESIDENT

President

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 FINANCE SECRETARY
**Dowites'78' Operation Theatre
 Welfare Society Karachi.**
 General Secretary


**Dowites'78' Operation Theatre
 Welfare Society Karachi**
 Finance Secretary

DOWITES 78 OPERATION THEATRE WELFARE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

1 STATUS AND ACTIVITIES

DOWITES 78 OPERATION THEATRE WELFARE SOCIETY is a non profit organization registered on February 24th, 2006, under the Voluntary Social Welfare Agencies (Registration and Control) Ordinance, 1961 (XLVI of 1961) given registration No. DSW(2561)-K, and has been granted registration on under the said Ordinance, Dowites 78 has been formed with the primary aim to construct, maintain and extend the operation theatre complex project at civil hospital, Karachi, built by Dow Graduates (Dowites'78) of 1978, which complex/project is consisting of fourteen fully equipped operations theatres in civil hospital premises widely known as Dowites 78 Operation Theatre Complex for the welfare and rehabilitation of patients and to meet its recurring expenditures in the future. The operation of Dowites 78 are financed by donations, grants and endowments (in cash or kind). The current office of the society is located at Dowites 78, operation theatre complex, Civil Hospital Baba-e-Urdu road, Karachi

2 STATEMENT OF COMPLIANCE

The financial statements have been prepared in accordance with Approved Accounting Standards as applicable in Pakistan. Approved Accounting Standards comprise of International Accounting Standards issued by International Accounting Standards Committee (IASC), interpretations issued by Standing Interpretation Committee of IASC as applicable in Pakistan and Guidelines for Accounting and Financial Reporting by NGOs/ NPOs issued by ICAP.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of preparation

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

3.2 Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any.

3.3 Accounting convention and basis of preparation

These financial statements have been prepared under the accrual basis of accounting except for the donations and Zakat which are recognized on receipt basis and historical cost convention.

3.4 Taxation

The foundation has applied to be registered as a Non-Profit Organization under section 2(36)C of Income Tax Ordinance, 2001 (the Ordinance) and is entitled to tax credit under section 100C of the Ordinance. The provision of minimum tax is also not applicable on the trust under Clause 11A of part 4 of second schedule of the Income Tax Ordinance.

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Note	2020 Rupees	2019 Rupees
	14,193	6,893
	2,000	808,820
	1,458,386	1,755,706
	<u>1,474,579</u>	<u>2,571,419</u>
5.1	<u>86,010,976</u>	<u>89,653,266</u>

4. TRADE & OTHER PAYABLE

Others
Account Payable
Accrued Expenses

5. PROPERTY, PLANT & EQUIPMENT

Particulars	COST			Rate %	ACC. DEPRICIATION			W.D.V As on 30-06-20
	Opening	Additions/ (Deletions)	Closing		Opening	FOR THE YEAR	Closing	
	As on		As on		As on		As on	
	30-06-19		30-06-20		30-06-19		30-06-20	
Anaesthesia Machine	3,030,530	-	3,030,530	15%	1,725,217	195,797	1,921,014	1,109,516
Autoclave Equipment	3,668,767	-	3,668,767	15%	3,146,914	78,278	3,225,192	443,575
General Medical Equipment	3,067,985	-	3,067,985	15%	2,512,922	83,259	2,596,181	471,804
Medical Equipment Donated	13,898,500	-	13,898,500	15%	11,236,736	399,265	11,636,001	2,262,499
O.T Equipment	45,872,576	981,700	46,854,276	15%	20,869,137	3,897,771	24,766,908	22,087,368
O.T Lights	5,338,730	3,860,000	9,198,730	15%	4,579,351	692,907	5,272,258	3,926,472
O.T. Table	7,068,127	-	7,068,127	15%	3,596,897	520,685	4,117,582	2,950,545
O.T. Table Donated	325,000	-	325,000	15%	278,773	6,934	285,707	39,293
Standard Operation Table	250,000	-	250,000	15%	214,439	5,334	219,773	30,227
Building Construction	84,943,622	681,661	85,625,283	5%	38,026,109	2,379,959	40,406,068	45,219,215
Signages Engraving	257,140	-	257,140	15%	217,013	6,019	223,032	34,108
A.C Split Unit	12,820,921	302,230	13,123,151	15%	9,541,728	537,213	10,078,941	3,044,210
Computer & Software	1,115,275	-	1,115,275	30%	974,868	42,122	1,016,990	98,285
Gas Pipe Line & Generator	3,654,940	-	3,654,940	15%	3,115,006	80,990	3,195,996	458,944
Motors & Pumps	48,626	-	48,626	15%	40,994	1,145	42,139	6,487
O.T.S.S Furniture & O.T. Table	4,434,000	-	4,434,000	15%	3,795,616	95,758	3,891,374	542,626
Generator Donated	5,150,000	-	5,150,000	15%	4,409,260	111,111	4,520,371	629,629
C.C. T.V Camera	3,352,900	15,500	3,368,400	15%	2,816,367	82,805	2,899,172	469,228
Electrical Installation	2,594,405	-	2,594,405	15%	2,014,175	87,035	2,101,210	493,195
Elevators	6,257,584	-	6,257,584	15%	4,947,993	196,439	5,144,432	1,113,152
Equipments & Tools	712,278	10,500	722,778	15%	510,545	31,835	542,380	180,398
Fridge & Dispenser	102,200	-	102,200	15%	60,970	6,185	67,155	35,045
Furniture & Fixture	1,620,420	109,400	1,729,820	15%	1,323,805	60,902	1,384,707	345,113
P.A.B.X System	165,750	-	165,750	15%	142,175	3,536	145,711	20,039
Total - 2020	209,750,276	5,960,991	215,711,267		120,097,010	9,603,284	129,700,294	86,010,976
Total - 2019	203,557,087	6,193,189	209,750,276		110,050,668	10,046,342	120,097,010	89,653,266

6.1. COST ALLOCATION

Direct expenses	9,134,547	9,518,788
Administrative expense	468,737	527,554
	<u>9,603,284</u>	<u>10,046,342</u>

6.2. ADVANCES

Advance Salary	4,000	2,000
	<u>4,000</u>	<u>2,000</u>

6.3. CASH AND BANK BALANCE

Cash in hand	257	263
Bank (UBL2120)	378,183	5,232,788
Bank (UBL2282)	945,701	1,568,749
Bank DIB 288952001	13,289,102	5,675,558
Bank Meezan (1918945)	4,018,999	8,437,020
	<u>18,632,242</u>	<u>20,914,378</u>

Dr
General Secretary
Dinshah 78 Operation Theatre
Welfare Society Karachi.

General Secretary

	2020 Rupees	2019 Rupees
8 RECEIPTS		
Donation receipts	31,785,645	29,855,829
Zakat receipts	12,065,050	11,376,527
	<u>43,850,695</u>	<u>41,232,356</u>
9 DIRECT EXPENSES		
Salaries & Allowances	12,110,021	12,237,206
Medical supplies and repairs	1,179,688	1,063,992
Repair & Maintenance	676,963	812,627
Security services	466,560	432,520
Electrical maintenance	425,045	453,334
Gas filling	147,900	84,600
Water	22,970	24,200
Medical supplies consumed	10,455,157	8,365,791
OT Linen/Dress & Accessories Consumed	990,750	772,832
Services Contract	820,460	945,696
Telephone expenses	11,640	13,290
Depreciation	9,134,547	9,518,788
	<u>36,441,701</u>	<u>34,724,876</u>
10 ADMINISTRATIVE EXPENSES		
Salaries & Allowances	9,476,257	9,690,738
A/C repair and maintenance	627,203	818,823
Advertisement	670,492	382,746
Audit Fee	48,600	27,000
Conveyance and Transportation	66,106	76,322
Internet Expense	95,762	88,264
Office Maintenance	315,360	336,641
Postage	11,120	25,744
Printing, Stationary & Computer Supplies	412,518	377,348
General expense	-	6,400
Depreciation	468,737	527,554
	<u>12,192,155</u>	<u>12,357,580</u>
11 FINANCIAL CHARGES		
	<u>42,425</u>	<u>132,069</u>
	<u>42,425</u>	<u>132,069</u>

12 GENERAL

Figures have been rounded off to the nearest rupee.

PRESIDENT

Dowites'78' Operation Theatre
Complex Civil Hospital Karachi.

President

FINANCE SECRETARY

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Welfare Society Karachi

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