

Dowites 78 Operation Theatre Welfare Society

Financial Statements

For the year ended June 30, 2021

Audited by:

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

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, 2021** 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, 2021** 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

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HYDER & COMPANY

Chartered Accountants

Office : SF-10 & 11, 4th Floor, Shahnaz Arcade,
Shaheed-e-Millat Road, Karachi.

Tel : 34933417, 34141114, 34854018

E-mail : siddiquiahmerzafar@gmail.com

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 obtained 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: 29 September, 2021

Place: Karachi



HYDER & COMPANY.

Chartered Accountants

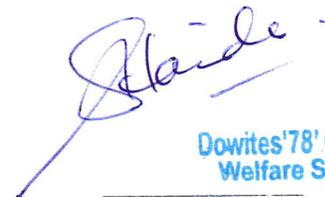
Engagement Partner : Ahmer Zafar Siddiqui

DOWITES 78 OPERATION THEATRE WELFARE SOCIETY
STATEMENT OF FINANCIAL POSITION
AS ON JUNE 30, 2021

FUNDS AND LIABILITIES	Note	2021 Rupees	2020 Rupees
Fund			
General fund		111,954,882	103,172,639
Current liabilities			
Trade & Other Payables	4	1,583,590	1,474,579
TOTAL FUNDS & LIABILITIES		113,538,472	104,647,218
ASSETS			
Non-current assets			
Property, plant and equipment	5	92,123,376	86,010,976
Current assets			
Advances	6	50,000	4,000
Cash and bank balances	7	21,365,096	18,632,242
		21,415,096	18,636,242
TOTAL ASSETS		113,538,472	104,647,218

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

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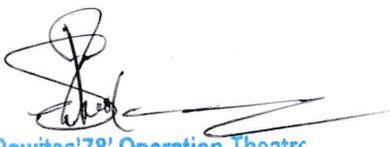
DOWITES 78 OPERATION THEATRE WELFARE SOCIETY
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2021

	Note	2021 Rupees	2020 Rupees
Receipts	8	48,201,601	43,850,695
Direct expenses	9	30,750,517	36,441,701
Administrative expenses	10	8,561,189	12,192,155
Financial charges	11	107,652	42,425
Net Surplus/(Deficit) for the year		8,782,243	(4,825,586)
Surplus Brought Forward		103,172,639	107,998,225
Surplus transferred to general fund		111,954,882	103,172,639

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


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


 Dowites'78' Operation Theatre
 Welfare Society Karachi
 FINANCE SECRETARY Finance Secretary


 Dowites'78' Operation Theatre
 Welfare Society Karachi
 General Secretary

DOWITES 78 OPERATION THEATRE WELFARE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

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

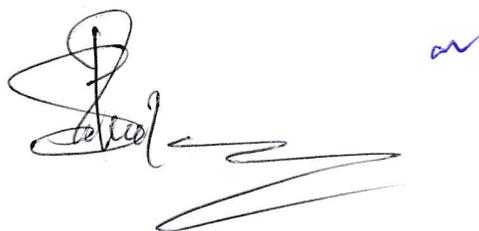
Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any.

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.



3.5 General Fund

The fund is used for all general purposes of the society. Any surplus / (deficit) arising out of operations of the society is transferred from income and expenditure account to this fund.

3.6 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. Cash and cash equivalents comprise of cash in hand and cash with banks on current accounts.

3.7 Trade and other payables

Liabilities for 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 received, whether or not billed to the society.

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TRADE & OTHER PAYABLE

Others
 Account Payable
 Accrued Expenses

16,200	14,193
2,000	
1,567,390	1,458,386
1,583,590	1,474,579

5.1 92,123,376 86,010,976

PROPERTY, PLANT & EQUIPMENT

Particulars	COST			Rate %	ACC. DEPRICIATION			W.D.V As on
	Opening As on 30-06-20	Additions/ (Deletions)	Closing As on 30-06-21		Opening As on 30-06-20	FOR THE YEAR	Closing As on 30-06-21	
Anesthesia Machine	3,030,530	-	3,030,530	15%	1,921,014	166,427	2,087,441	943,089
Autoclave Equipment	3,668,767	-	3,668,767	15%	3,225,192	66,536	3,291,728	377,039
General Medical Equipment	3,067,985	-	3,067,985	15%	2,596,181	70,771	2,666,952	401,033
Medical Equipment Donated	13,898,500	-	13,898,500	15%	11,636,001	339,375	11,975,376	1,923,124
OT Equipment	46,854,276	4,486,200	51,340,476	15%	24,766,908	3,986,035	28,752,943	22,587,533
OT Lights	9,198,730	-	9,198,730	15%	5,272,258	588,971	5,861,229	3,337,501
OT Table	7,068,127	-	7,068,127	15%	4,117,582	442,582	4,560,164	2,507,963
OT Table Donated	325,000	9,550,000	9,875,000	15%	285,707	1,438,394	1,724,101	8,150,899
Standard Operation Table	250,000	-	250,000	15%	219,773	4,534	224,307	25,693
Building Construction	85,625,283	-	85,625,283	5%	40,406,068	2,260,961	42,667,029	42,958,254
Diagnoses Engraving	257,140	-	257,140	15%	223,032	5,116	228,148	28,992
ECG Spite Unit	13,123,151	120,000	13,243,151	15%	10,078,941	474,632	10,553,573	2,689,578
Computer & Software	1,115,275	79,788	1,195,063	30%	1,016,990	53,422	1,070,412	124,651
Gas Pipe Line & Generator	3,654,940	-	3,654,940	15%	3,195,996	68,842	3,264,838	390,102
Generators & Pumps	48,626	-	48,626	15%	42,139	973	43,112	5,514
SS Furniture & O.I. Table	4,434,000	-	4,434,000	15%	3,891,374	81,394	3,972,768	461,232
Generator Donated	5,150,000	-	5,150,000	15%	4,570,371	94,444	4,664,815	535,185
T.V Camera	3,368,400	-	3,368,400	15%	2,899,172	70,384	2,969,556	398,844
Medical Installation	2,594,405	60,000	2,654,405	15%	2,101,210	82,979	2,184,189	470,216
Generators	6,257,584	-	6,257,584	15%	5,144,432	166,973	5,311,405	945,179
Generators	722,778	-	722,778	15%	542,380	27,060	569,440	153,338
Generators & Tools	102,200	105,000	207,200	15%	67,155	21,007	88,162	119,038
Wash & Dispenser	1,729,820	-	1,729,820	15%	1,384,707	51,767	1,436,474	293,346
Furniture & Fixture	165,750	-	165,750	15%	145,711	3,006	148,717	17,033
Wash System	-	2,680,000	2,680,000	15%	-	402,000	402,000	2,278,000
Light Donated	-	-	-	-	-	-	-	-
Total 2021	215,711,267	17,080,988	232,792,255		129,700,294	10,968,585	140,668,879	92,123,376
Total 2020	209,750,276	5,960,991	215,711,267		120,097,010	9,603,284	129,700,294	86,010,976

COST ALLOCATION

Direct expenses
 Administrative expense

10,143,409	9,134,547
825,176	468,737
10,968,585	9,603,284

PROVISIONS

Provision salary
 Provision against expense

	4,000
50,000	-
50,000	4,000

CASH AND BANK BALANCE

Cash hand
 Bank (L/R 7120)
 Bank (L/R 7782)
 Bank (TR 788957001)
 Bank Weezan (1918945)

273	257
2,182,579	378,183
67,107	945,701
7,952,665	13,289,107
11,162,472	4,018,999
21,365,096	18,632,242

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

CONFIDENTIAL

	2021	2020
	Rupees	Rupees
24,033,262		31,785,645
12,230,000		
11,938,339		12,065,050
48,201,601		43,850,695

8 RECEIPTS

Donation receipts
Donation in Kind
Zakat receipts

9 DIRECT EXPENSES

Salaries & Allowances
Medical supplies and repairs
Repair & Maintenance
Security services
Electrical maintenance
Gas filling
Water
Medical supplies consumed
OT Linen/Dress & Accessories Consumed
Services Contract
Telephone expenses
Depreciation

12,454,989	12,110,021
681,971	1,179,688
896,772	676,963
466,560	466,560
503,560	425,045
66,000	147,900
25,500	22,970
3,931,497	10,455,157
500,964	990,750
1,067,445	820,460
11,850	11,640
10,143,409	9,134,547
30,750,517	36,441,701

10 ADMINISTRATIVE EXPENSES

Salaries & Allowances
A/C repair and maintenance
Advertisement
Audit Fee
Conveyance and Transportation
Internet Expense
Office Maintenance
Postage
Printing, Stationary & Computer Supplies
General expense
Depreciation

6,123,072	9,476,257
719,351	627,203
62,520	670,492
48,600	48,600
70,620	66,106
62,128	95,762
331,216	315,360
9,920	11,120
305,245	412,518
3,341	-
825,176	468,737
8,561,189	12,192,155

11 FINANCIAL CHARGES

Bank Charges

107,652	42,425
107,652	42,425

12 DATE OF AUTHORIZATION OF FINANCIAL STATEMENTS

These financial statements were authorized for issue on September 23, 2021 by the Managing committees of society.

13 GENERAL

Figures have been rounded off to the nearest rupee.

PRESIDENT

FINANCE SECRETARY

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