

# **Dowites 78 Operation Theatre Welfare Society**

## *Financial Statements*

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*For the year ended June 30, 2025*

**Audited by:**

***F.R. Merchant & CO.***  
CHARTERED ACCOUNTANTS  
SF 10 & 11, 04<sup>th</sup> 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 **DOWITES 78 OPERATION THEATRE WELFARE SOCIETY** which comprise the statements of financial position as at **30<sup>th</sup> June, 2025** and income and expenditure account for the year then ended **30<sup>th</sup> June, 2025** 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 **30<sup>th</sup> June, 2025** 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 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 Company 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

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: 24<sup>th</sup> November, 2025

Place: Karachi

UDIN: AR202510337MBVEWwhd3



**F.R. Merchant & CO.**  
**Chartered Accountants**

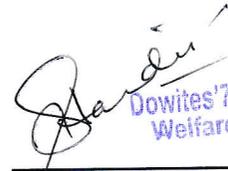
Engagement Partner: Ahmer Zafar Siddiqui

**DOWITES '78' OPERATION THEATRE WELFARE SOCIETY**  
**STATEMENT OF FINANCIAL POSITION**  
**AS ON JUNE 30, 2025**

<b>FUNDS AND LIABILITIES</b>	<b>Note</b>	<b>2025 Rupees</b>	<b>2024 Rupees</b>
<b>Fund</b>			
General fund		125,932,332	135,369,532
<b>Current liabilities</b>			
Trade & Other Payables	4	4,311,278	3,380,242
<b>TOTAL FUNDS &amp; LIABILITIES</b>		<b>130,243,610</b>	<b>138,749,774</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	125,688,651	126,631,601
<b>Current assets</b>			
Advances	6	5,000	-
Cash and bank balances	7	4,549,959	12,118,173
		4,554,959	12,118,173
<b>TOTAL ASSETS</b>		<b>130,243,610</b>	<b>138,749,774</b>

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

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

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

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

**DOWITES '78' OPERATION THEATRE WELFARE SOCIETY  
INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED JUNE 30, 2025**

	Note	2025 Rupees	2024 Rupees
Receipts	8	66,962,682	78,503,102
Direct expenses	9	54,228,172	51,273,688
Administrative expenses	10	22,107,869	18,903,495
Financial charges	11	63,841	19,688
Net (Deficit)/ Surplus for the year		(9,437,200)	8,306,231
Surplus Brought Forward		135,369,532	127,063,301
Surplus transferred to general fund		125,932,332	135,369,532

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

  
 DOWITES '78' Operation Theatre  
 Welfare Society Karachi  
**PRESIDENT**  
 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**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	2025 Rupees	2024 Rupees
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
(Deficit) / Surplus for the Year	(9,437,200)	8,306,231
<b>Adjustments for non-cash and other items:</b>		
Depreciation	<u>16,676,150</u>	<u>16,696,376</u>
<b>Cash flow from operating activiteis before working capital changes</b>	7,238,950	25,002,607
<b>Effect on cash flow due to working capital changes</b>		
<i>(Increase)/Decrease in Current Assets</i>		
Short term loans and Advances	(5,000)	265,000
<i>(Decrease) / Increase in Current Liabilities</i>		
Creditors, accrued expenses and other liabilities	931,036	(1,800,177)
<b>Net Cash Flow From Operating Activities</b>	<u>8,164,986</u>	<u>23,467,430</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Addition to property and equipment	(15,733,200)	(22,854,800)
<b>Net (decrease) / Increase in cash and cash equivalents</b>	<u>(7,568,214)</u>	<u>612,630</u>
Cash & cash equivalents at the beginning of the year	<u>12,118,173</u>	<u>11,505,543</u>
Cash & cash equivalents at the end of the year	<u>4,549,959</u>	<u>12,118,173</u>

The annexed notes form an integral part of these financials.

  
 DOWITES '78' Operation Theatre  
 Welfare Society Karachi  
**PRESIDENT**

President

  
 DOWITES '78' Operation Theatre  
 Welfare Society Karachi

General Secretary

  
 DOWITES '78' Operation Theatre  
 Welfare Society Karachi  
**FINANCE SECRETARY** Finance Secretary

# DOWITES '78' OPERATION THEATRE WELFARE SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

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### **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**

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These financial statements have been prepared in accordance with Generally Accepted and best practice Accounting principles and standards as applicable in Pakistan.

### **3 SUMMARY OF MATERIAL ACCOUNTING POLICIES**

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#### **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.

Note	2025 Rupees	2024 Rupees
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**4 TRADE & OTHER PAYABLE**

Others		63,493	29,845
Accrued Expenses		4,247,785	3,350,397
		<u>4,311,278</u>	<u>3,380,242</u>

**5 PROPERTY, PLANT & EQUIPMENT**

5.1 125,688,651 126,631,601

Particulars	COST			Rate %	ACC. DEPRICIATION			W.D.V As on 30/06/2025
	Opening	Additions/ (Deletions)	Closing		Opening	FOR THE YEAR	Closing	
	As on		As on		As on		As on	
	30/06/2024		30/06/2025		30/06/2024		30/06/2025	
Anesthesia Machine	16,230,530	6,700,000	22,930,530	15%	5,566,105	2,604,664	8,170,769	14,759,761
Autoclave Equipment	3,668,767	-	3,668,767	15%	3,437,218	34,732	3,471,950	196,817
General Medical Equipment	3,067,985	-	3,067,985	15%	2,821,701	36,943	2,858,643	209,342
Medical Equipment Donated	18,356,500	1,158,000	19,514,500	15%	13,629,941	882,684	14,512,625	5,001,875
O.T Equipment	61,095,536	350,000	61,445,536	15%	40,052,032	3,209,026	43,261,058	18,184,478
O.T Lights	11,723,230	-	11,723,230	15%	8,123,229	540,000	8,663,229	3,060,001
O.T. Table	24,161,627	-	24,161,627	15%	11,433,692	1,909,190	13,342,883	10,818,744
O.T. Table Donated	16,375,000	-	16,375,000	15%	7,377,517	1,349,623	8,727,139	7,647,861
Standard Operation Table	250,000	-	250,000	15%	234,221	2,367	236,588	13,412
Building Construction	94,975,283	1,136,000	96,111,283	5%	49,261,450	2,342,492	51,603,942	44,507,341
Signages Engraving	257,140	-	257,140	15%	239,335	2,671	242,006	15,134
A.C Split Unit	14,210,581	5,540,000	19,750,581	15%	11,796,247	1,193,150	12,989,397	6,761,184
Computer & Software	1,195,063	-	1,195,063	30%	1,152,308	12,827	1,165,134	29,929
Gas Pipe Line & Generator	5,844,234	-	5,844,234	15%	4,022,898	273,200	4,296,098	1,548,136
Motors & Pumps	48,626	-	48,626	15%	45,240	508	45,748	2,878
O.T.S.S Furniture & O.T. Table	4,434,000	305,000	4,739,000	15%	4,150,746	88,238	4,238,984	500,016
Generator Donated	5,150,000	-	5,150,000	15%	4,821,330	49,301	4,870,630	279,370
C.C. T.V Camera	3,368,400	-	3,368,400	15%	3,123,460	36,741	3,160,201	208,199
Electrical Installation	3,153,405	519,200	3,672,605	15%	2,440,484	184,818	2,625,302	1,047,303
Elevators	6,257,584	-	6,257,584	15%	5,676,512	87,161	5,763,673	493,911
Equipment's & Tools	793,578	25,000	818,578	15%	639,229	26,902	666,132	152,446
Fridge & Dispenser	207,200	-	207,200	15%	134,096	10,966	145,061	62,139
Furniture & Fixture	1,729,820	-	1,729,820	15%	1,549,669	27,023	1,576,692	153,128
P.A.B.X System	165,750	-	165,750	15%	155,290	1,569	156,859	8,891
OT Light Donated	16,654,500	-	16,654,500	15%	4,858,790	1,769,357	6,628,146	10,026,354
<b>Total - 2025</b>	<b>313,374,339</b>	<b>15,733,200</b>	<b>329,107,539</b>		<b>186,742,738</b>	<b>16,676,150</b>	<b>203,418,888</b>	<b>125,688,651</b>
<b>Total - 2024</b>	<b>290,519,539</b>	<b>22,854,800</b>	<b>313,374,339</b>		<b>170,046,362</b>	<b>16,696,376</b>	<b>186,742,738</b>	<b>126,631,601</b>

**5.2 COST ALLOCATION**

Direct expenses		14,531,614	14,269,428
Administrative expense		2,144,536	2,426,949
		<u>16,676,150</u>	<u>16,696,376</u>

**6 ADVANCES**

Advance against Expense		5,000	-
		<u>5,000</u>	<u>-</u>

**7 CASH AND BANK BALANCE**

Cash in hand		58,408	69,207
Bank (UBL21203)		34,006	1,000,159
Bank (UBL22826)		115,308	56,998
Bank DIB 288952001		4,217,305	10,121,033
Bank Meezan (1918945)		124,932	870,776
		<u>4,549,959</u>	<u>12,118,173</u>

**8 RECEIPTS**

Donation receipts		35,537,336	52,924,439
Donation in Kind		12,423,000	7,046,000
Zakat receipts		19,002,346	18,532,663
		<u>66,962,682</u>	<u>78,503,102</u>

Note	2025 Rupees	2024 Rupees
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**9 DIRECT EXPENSES**

Salaries & Allowances	26,044,580	21,149,022
Medical supplies and repairs	207,364	500,508
Repair & Maintenance	3,247,765	3,647,894
Security services	484,000	484,000
Electrical maintenance	611,625	340,425
Gas filling	539,800	321,100
Water	121,580	81,120
Medical supplies consumed	5,823,575	5,455,939
OT Linen/Dress & Accessories Consumed	943,600	3,571,366
Services Contract	1,653,249	1,435,617
Telephone expenses	19,420	17,270
Depreciation	14,531,614	14,269,428
	<b>54,228,172</b>	<b>51,273,688</b>

**10 ADMINISTRATIVE EXPENSES**

Salaries & Allowances	14,572,286	11,792,751
A/C repair and maintenance	2,088,660	2,667,610
Advertisement	279,766	365,429
Audit Fee	62,640	58,000
Conveyance and Transportation	84,780	85,950
Internet Expense	36,125	184,975
Office Maintenance	702,723	653,551
Postage	17,530	10,640
Printing, Stationary & Computer Supplies	403,495	420,840
Legal & Professional	1,699,520	236,800
General expense	15,808	-
Depreciation	2,144,536	2,426,949
	<b>22,107,869</b>	<b>18,903,495</b>

**11 FINANCIAL CHARGES**

Bank Charges	63,841	19,688
	<b>63,841</b>	<b>19,688</b>

**12 DATE OF AUTHORIZATION OF FINANCIAL STATEMENTS**

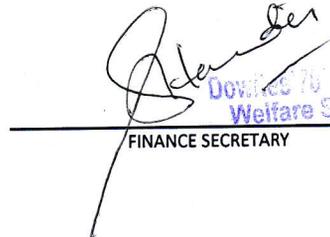
These financial statements were authorized for issue on November 19, 2025 by the Managing committees of society.

**13 GENERAL**

Figures have been rounded off to the nearest rupee.

  
 Dowites'78 Operation Theatre  
 Welfare Society Karachi  
 PRESIDENT

President

  
 Dowites'78 Operation Theatre  
 Welfare Society Karachi  
 FINANCE SECRETARY

Finance Secretary

  
 Dowites'78' Operation Theatre  
 Welfare Society Karachi  
 General Secretary