

# **Dowites 78 Operation Theatre Welfare Society**

## *Financial Statements*

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*For the year ended June 30, 2022*

**Audited by:**

**WAQAS YAMIN & 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, 2022** 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 **30<sup>th</sup> June, 2022** 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

**WAQAS YAMIN & CO.**  
**CHARTERED ACCOUNTANTS**

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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:

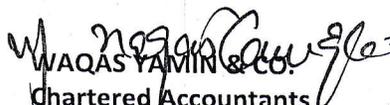
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting 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 and 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: 20<sup>th</sup> October, 2022

Place: Karachi

UDIN: AR202210336nAytQv8Kb

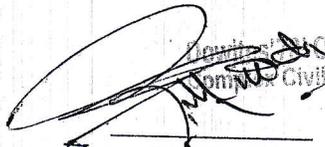
  
WAQAS YAMIN & CO.  
Chartered Accountants

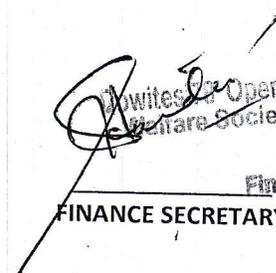
Engagement Partner: Muhammad Waqas Yamin

**DOWITES 78 OPERATION THEATRE WELFARE SOCIETY**  
**STATEMENT OF FINANCIAL POSITION**  
**AS ON JUNE 30, 2022**

<b>FUNDS AND LIABILITIES</b>	<b>Note</b>	<b>2022 Rupees</b>	<b>2021 Rupees</b>
<b>Fund</b>			
General fund		114,674,563	111,954,882
<b>Current liabilities</b>			
Trade & Other Payables	4	2,001,720	1,583,590
<b>TOTAL FUNDS &amp; LIABILITIES</b>		<b>116,676,283</b>	<b>113,538,472</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	101,633,047	92,123,376
<b>Current assets</b>			
Advances	6	4,070,400	50,000
Cash and bank balances	7	10,972,836	21,365,096
		15,043,236	21,415,096
<b>TOTAL ASSETS</b>		<b>116,676,283</b>	<b>113,538,472</b>

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

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

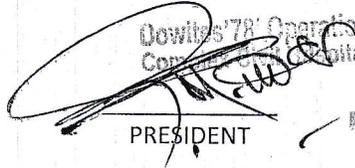
  
 Dowites 78 Operation Theatre  
 Welfare Society Karachi  
**FINANCE SECRETARY**

  
 Dowites 78 Operation Theatre  
 Welfare Society Karachi  
 General Secretary

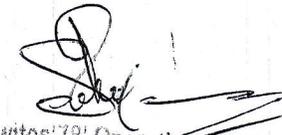
**DOWITES 78 OPERATION THEATRE WELFARE SOCIETY**  
**INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED JUNE 30, 2022**

	Note	2022 Rupees	2021 Rupees
Receipts	8	50,551,331	48,201,601
Direct expenses	9	37,192,917	30,750,517
Administrative expenses	10	10,571,536	8,561,189
Financial charges	11	67,197	107,652
Net Surplus for the year		<u>2,719,681</u>	<u>8,782,243</u>
Surplus Brought Forward		111,954,882	103,172,639
Surplus transferred to general fund		<u><u>114,674,563</u></u>	<u><u>111,954,882</u></u>

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

  
 Dowites'78' Operation Theatre  
 Welfare Society Karachi  
 PRESIDENT

  
 Dowites'78' Operation Theatre  
 Welfare Society Karachi  
 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, 2022

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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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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

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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.

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Note	2022 Rupees	2021 Rupees
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**4 TRADE & OTHER PAYABLE**

Others  
Accrued Expenses

	16,700	16,200
	1,985,020	1,567,390
	<u>2,001,720</u>	<u>1,583,590</u>

**5 PROPERTY, PLANT & EQUIPMENT**

5.1	101,633,047	92,123,376
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Particulars	COST			Rate %	ACC. DEPRECIATION			W.D.V As on 30-06-22
	Opening	Additions/ (Deletions)	Closing		Opening	FOR THE YEAR	Closing	
	As on		As on		As on		As on	
	30-06-21		30-06-22		30-06-21		30-06-22	
Anaesthesia Machine	3,030,530	-	3,030,530	15%	2,087,441	141,463	2,228,904	801,626
Autoclave Equipment	3,668,767	-	3,668,767	15%	3,291,728	56,556	3,348,284	320,483
General Medical Equipment	3,067,985	-	3,067,985	15%	2,666,952	60,155	2,727,107	340,878
Medical Equipment Donated	13,898,500	-	13,898,500	15%	11,975,376	288,469	12,263,845	1,634,655
O.T Equipment	51,340,476	92,000	51,432,476	15%	28,752,943	3,401,930	32,154,873	19,277,603
O.T Lights	9,198,730	2,524,500	11,723,230	15%	5,861,229	879,300	6,740,529	4,982,701
O.T. Table	7,068,127	10,725,000	17,793,127	15%	4,560,164	1,984,944	6,545,108	11,248,019
O.T. Table Donated	9,875,000	6,500,000	16,375,000	15%	1,724,101	2,197,635	3,921,736	12,453,264
Standard Operation Table	250,000	-	250,000	15%	224,307	3,854	228,161	21,839
Building Construction	85,625,283	-	85,625,283	5%	42,667,029	2,147,913	44,814,942	40,810,341
Signages Engraving	257,140	-	257,140	15%	228,148	4,349	232,497	24,643
A.C Split Unit	13,243,151	47,000	13,290,151	15%	10,553,573	410,487	10,964,060	2,326,091
Computer & Software	1,195,083	-	1,195,083	30%	1,070,412	37,395	1,107,807	87,256
Gas Pipe Line & Generator	3,654,940	-	3,654,940	15%	3,264,838	58,515	3,323,353	331,557
Motors & Pumps	48,626	-	48,626	15%	43,112	827	43,939	4,687
O.T.S.S Furniture & O.T. Table	4,434,000	-	4,434,000	15%	3,972,768	69,185	4,041,953	392,047
Generator Donated	5,150,000	-	5,150,000	15%	4,614,815	80,278	4,695,093	454,907
C.C. T.V Camera	3,368,400	-	3,368,400	15%	2,969,556	59,827	3,029,383	339,017
Electrical Installation	2,654,405	-	2,654,405	15%	2,184,189	70,532	2,254,721	399,684
Elevators	6,257,584	-	6,257,584	15%	5,311,405	141,927	5,453,332	804,252
Equipments & Tools	722,778	-	722,778	15%	569,440	23,001	592,441	130,337
Fridge & Dispenser	207,200	-	207,200	15%	88,162	17,856	106,018	101,182
Furniture & Fixture	1,729,820	-	1,729,820	15%	1,436,474	44,002	1,480,476	249,344
P.A.B.X System	165,750	-	165,750	15%	148,717	2,555	151,272	14,478
OT Light Donated	2,680,000	2,524,500	5,204,500	15%	402,000	720,375	1,122,375	4,082,125
<b>Total - 2022</b>	<b>232,792,255</b>	<b>22,413,000</b>	<b>255,205,255</b>		<b>140,668,879</b>	<b>12,903,329</b>	<b>153,572,208</b>	<b>101,633,047</b>
<b>Total - 2021</b>	<b>215,711,267</b>	<b>17,080,988</b>	<b>232,792,255</b>		<b>129,700,294</b>	<b>10,968,585</b>	<b>140,668,879</b>	<b>92,123,376</b>

**5.1 COST ALLOCATION**

Direct expenses  
Administrative expense

	11,823,255	10,143,409
	1,080,074	825,176
	<u>12,903,329</u>	<u>10,968,585</u>

**6 ADVANCES**

Advance against Expense

	4,070,400	50,000
	<u>4,070,400</u>	<u>50,000</u>

**7 CASH AND BANK BALANCE**

Cash in hand  
Bank (UBL.21203)  
Bank (UBL.22826)  
Bank DIB 288952001  
Bank Meezan (1918945)

	553	273
	2,946,486	2,182,579
	121,108	67,107
	7,387,273	7,952,665
	517,416	11,162,472
	<u>10,972,836</u>	<u>21,365,096</u>

**8 RECEIPTS**

Donation receipts  
Donation in Kind  
Zakat receipts

	2022 Rupees	2021 Rupees
	26,162,920	24,033,262
	9,024,500	12,230,000
	15,363,911	11,938,339
	<u>50,551,331</u>	<u>48,201,601</u>

*Signature*  
Dowries 78' Operation Theatre  
Welfare Society Karachi

General Secretary

*M*

**9 DIRECT EXPENSES**

Salaries & Allowances	13,961,113	12,454,989
Medical supplies and repairs	245,562	681,971
Repair & Maintenance	2,266,270	896,772
Security services	427,680	466,560
Electrical maintenance	483,665	503,560
Gas filling	157,300	66,000
Water	25,200	25,500
Medical supplies consumed	5,283,522	3,931,497
OT Linen/Dress & Accessories Consumed	1,046,435	500,964
Services Contract	1,460,415	1,067,445
Telephone expenses	12,500	11,850
Depreciation	11,823,255	10,143,409
	<u>37,192,917</u>	<u>30,750,517</u>

**10 ADMINISTRATIVE EXPENSES**

Salaries & Allowances	7,517,521	6,123,072
A/C repair and maintenance	834,172	719,351
Advertisement	151,918	62,520
Audit Fee	48,600	48,600
Conveyance and Transportation	45,480	70,620
Internet Expense	36,520	62,128
Office Maintenance	303,731	331,216
Postage	10,960	9,920
Printing, Stationary & Computer Supplies	517,560	305,245
General expense	25,000	3,341
Depreciation	1,080,074	825,176
	<u>10,571,536</u>	<u>8,561,189</u>

**11 FINANCIAL CHARGES**

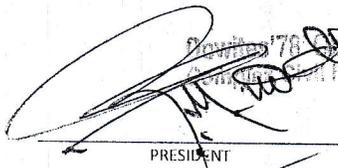
Bank Charges	67,197	107,652
	<u>67,197</u>	<u>107,652</u>

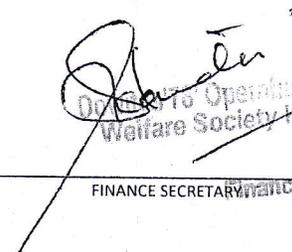
**12 DATE OF AUTHORIZATION OF FINANCIAL STATEMENTS**

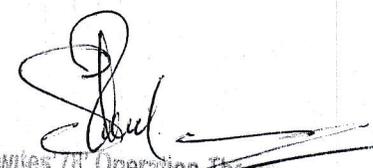
These financial statements were authorized for issue on October 20, 2022 by the Managing Trustees of the trust.

**13 GENERAL**

Figures have been rounded off to the nearest rupee.

  
Dowles 70 Operation Theatre  
Welfare Society Karachi  
President

  
Dowles 70 Operation Theatre  
Welfare Society Karachi  
FINANCE SECRETARY

  
Dowles 70 Operation Theatre  
Welfare Society Karachi  
General Secretary