

**BIN QUTAB
FOUNDATION**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021



Ilyas Saeed & Co
Chartered Accountants
A member of
mgiworldwide

INDEPENDENT AUDITOR'S REPORT

To the members of Bin Qutab Foundation

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **Bin Qutab Foundation** (the Organization), which comprise the statement of financial position as at June 30, 2021, and the statement of income and expenditure, the statement of changes in funds, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of income and expenditure, the statement of changes in funds and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Organization's affairs as at June 30, 2021 and of the surplus, the changes in funds and its cash flows for the year then ended.

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 Organization 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.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises,

- Directors' Report under section 226 of the Companies Act, 2017.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion there on.



In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines 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, management is responsible for assessing the Organization'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 Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Organization'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 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 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 Company'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 a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization'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 Organization 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.

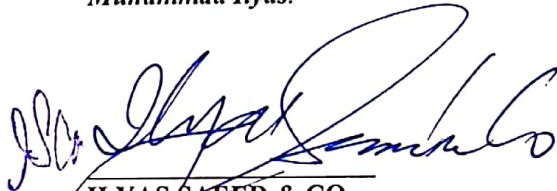
We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Organization as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of income and expenditure, the statement of changes in funds and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Organization's business; and
- d) In our opinion, no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980.

The engagement partner on the audit resulting in this independent auditor's report is *Muhammad Ilyas*.


ILYAS SAEED & CO.
Chartered Accountants
LAHORE
Date: 07 OCT 2021

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BIN QUTAB FOUNDATION
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2021

ASSETS	NOTE	2021 RUPEES	2020 RUPEES
NON CURRENT ASSETS			
Property, plant and equipment - unrestricted	4	107,857,191	104,271,489
Intangible assets	5	526,500	585,000
Capital work in progress - unrestricted	6	23,498,317	17,965,500
Long term deposits		76,600	76,600
		131,958,608	122,898,589
CURRENT ASSETS			
Loans and advances - unsecured	7	3,102,971	1,037,009
Advance income tax	8	209,057	23,104
Cash and bank balances	9	21,845,256	12,258,449
		25,157,284	13,318,562
		157,115,892	136,217,151
FUNDS AND LIABILITIES			
FUNDS			
General / unrestricted fund		138,599,114	128,548,499
CURRENT LIABILITIES			
Accrued and other liabilities	10	16,640,950	5,492,824
Short term borrowings	11	1,875,828	2,175,828
CONTINGENCIES AND COMMITMENTS			
	12	-	-
		157,115,892	136,217,151

The annexed notes from 1 to 23 form an integral part of these accounts.


 Chief Financial Officer


 Chief Executive Officer


 Chairman

**BIN QUTAB FOUNDATION
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2021**

PARTICULARS	NOTE	2021	2020
		RUPEES Unrestricted	RUPEES Unrestricted
INCOME			
Donations/ receipts	13	80,973,917	71,967,786
Other income	14	2,267,298	46,702
		83,241,215	72,014,488
EXPENDITURE			
Operating expenses	15	(65,872,404)	(62,606,230)
Administrative expenses	16	(8,456,654)	(6,672,719)
Financial charges	17	(183,748)	(258,984)
		(74,512,806)	(69,537,933)
Surplus for the year		8,728,409	2,476,555

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The annexed notes from 1 to 23 form an integral part of these accounts.

Handwritten signature of Chief Financial Officer.

Chief Financial Officer

Handwritten signature of Chief Executive Officer.

Chief Executive Officer

Handwritten signature of Chairman.

Chairman

STATEMENT OF CHANGES IN FUNDS
STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

Particulars	GENERAL	CAPITAL	TOTAL
	FUND	FUND	Unrestricted
	-----RUPEES-----		
Balance as at June 30, 2019	108,427,880	14,962,061	123,389,941
Addition during the year (in kind)	1,491,003	1,191,000	2,682,003
Surplus for the year	2,476,555	-	2,476,555
Balance as at June 30, 2020	<u>112,395,438</u>	<u>16,153,061</u>	<u>128,548,499</u>
Addition during the year (in kind)	1,322,206	-	1,322,206
Surplus for the year	8,728,409	-	8,728,409
Balance as at June 30, 2021	<u><u>122,446,053</u></u>	<u><u>16,153,061</u></u>	<u><u>138,599,114</u></u>


The annexed notes from 1 to 23 form an integral part of these accounts.



 Chief Financial Officer



 Chief Executive Officer

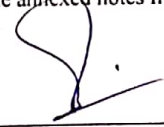


 Chairman

**BIN QUTAB FOUNDATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2021**

	NOTE	<u>2021</u> <u>RUPEES</u>	<u>2020</u> <u>RUPEES</u>
CASH FLOW FROM OPERATING ACTIVITIES			
Surplus/ (deficit) for the year		8,728,409	2,476,555
Adjustments for:			
Depreciation for the year		10,298,540	8,655,022
Amortization for the year		58,500	65,000
Financial charges		<u>183,748</u>	<u>258,984</u>
Cash flow before changes in working capital		<u>10,540,788</u>	8,979,006
(Increase) / decrease in current assets			
Decrease / (increase) in loans and advances		(2,049,011)	1,756,595
Decrease / (increase) in short term prepayments		-	-
		(2,049,011)	1,756,595
Increase / (decrease) in current liabilities			
Increase / (decrease) in creditors and other accruals		11,148,126	532,442
Cash flow from operations		<u>19,639,903</u>	<u>11,268,043</u>
Financial charges paid		(183,749)	(258,984)
Taxes paid		<u>(202,904)</u>	<u>(6,153)</u>
Net cash generated from operating activities		<u>27,981,659</u>	<u>13,479,461</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions of fixed assets		(13,884,241)	(2,114,380)
Additions of intangible asset		-	(650,000)
Capital work in progress		<u>(5,532,817)</u>	<u>(7,127,415)</u>
Net cash used in investing activities		<u>(19,417,058)</u>	<u>(9,891,795)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Donations received during the year		1,322,206	2,682,003
(Decrease)/ increase in short term financing		<u>(300,000)</u>	<u>1,675,828</u>
Net cash generated from financing activities		<u>1,022,206</u>	<u>4,357,831</u>
Net increase in cash and cash equivalent		<u>9,586,807</u>	<u>7,945,497</u>
Cash and cash equivalent at the beginning of the year		12,258,449	4,312,952
Cash and cash equivalent at the end of the year	9	<u><u>21,845,256</u></u>	<u><u>12,258,449</u></u>


The annexed notes from 1 to 23 form an integral part of these accounts.



Chief Financial Officer



Chief Executive Officer



Chairman

**BIN QUTAB FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

1 CORPORATE AND GENERAL INFORMATION

1.1 LEGAL STATUS AND OPERATIONS

Bin Qutab Foundation (the Organization) was incorporated on June 12, 2007 as an association under section 42 of the repealed Companies Ordinance, 1984 (now the Companies Act 2017). The registered office of the Organization is situated at 407-A-1, Gulberg-III, Lahore. The main object of the foundation is to aid, assist, set up, maintain administer and run hospitals, nursing homes, mother and child care centers, clinics, dispensaries, immunization and vaccination centers and places of medical aid, convalescent homes, family planning centers, X-ray clinics, radio therapy centers, pathological and clinical laboratories, blood banks, eye banks or other centers connected with the care of the human body. Currently, the foundation is running a hospital "Begum Noor Memorial Hospital (BNMH)" in Chakwal. The area of the land on which hospital is situated is 15 Kanals. The hospital is duly registered under the Punjab Health Care Commission. The Organization obtained license to operate as a Non-profitable organization from the Securities and Exchange Commission of Pakistan which was valid till 31-12-2020 and the same is in process of renewal for next 3 years.

2 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the Approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of International Financial reporting standards and the Accounting Standard for Not for Profit Organizations (NPOs) issued by the Institute of Chartered Accountants of Pakistan, as are notified under the Companies Act, 2017 (the Act), and provisions of and directives issued under the Companies Act, 2017. Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017

2.1 NEW AND AMENDED STANDARDS AND INTERPRETATIONS BECOME EFFECTIVE

The following revised standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan become effective during current year:

IAS 8	-	Accounting Policies, Changes in Accounting Estimates and Errors – definition of 'material' (Amendments).
IAS 41	-	Agriculture – Annual Improvements to IFRS Standards 2018–2020 (taxation in fair value measurements).
IFRS 3	-	Business Combination – Amendments to clarify the definition of a business.
IFRS 7	-	Financial Instrument (Disclosure) – Pre-replacement issues in the context of the IBOR reform (Amendment).
IFRS 9	-	Financial Instrument – Pre-replacement issues in the context of the IBOR reform (Amendment).
IFRS 16	-	Leases – Amendment to provide lessees with an exemption from assessing whether a COVID-19-related rent concession is a lease modification.

The adoption of the above amendments, and improvements to accounting standards and interpretations did not have any effect on the Organization's financial statements.



**BIN QUTAB FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

2.2 STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED APPROVED ACCOUNTING STANDARDS THAT ARE NOT YET EFFECTIVE

The following standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

Standard or Interpretation		Effective Date (Annual periods beginning on or after)
IAS 1	– Presentation of Financial Statements – definition of 'material' and classification of liabilities (Amendments)	01 January 2023
IAS 8	– Amended by Definition of Accounting Estimates – Amendments to IAS 8	01 January 2023
IAS 16	– Property, Plant and Equipment – Prohibiting a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. (Amendments).	01 January 2022
IAS 37	– Provisions, Contingent Liabilities and Contingent Assets – costs to include when assessing whether a contract is onerous (Amendments)	01 January 2022
IFRS 1	– First-time Adoption of International Financial Reporting Standards – Annual Improvements to IFRS Standards 2018–2020).	01 January 2022
IFRS 3	– Business Combination – Amendments to clarify reference to the Conceptual Framework	01 January 2022
IFRS 4	– Insurance Contracts – Extension of the Temporary Exemption from Applying IFRS 9 (Amended)	01 January 2023
IFRS 9	– Financial Instruments – Annual Improvements to IFRS Standards 2018–2020 (Amended)	01 January 2022

2.2.1 In addition to the above, the following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan:

Standard or Interpretation		Effective Date (Annual periods beginning on or after)
IFRS - 17	Insurance Contracts	01 January 2023

The Organization expects that the adoption of the above standard will have no material effect on the Company's financial statements.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared under the historical cost convention except as otherwise stated in the respective policies/ notes. These accounts have been prepared under accrual basis of accounting except for cash flow information.

**BIN QUTAB FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

3.1 BASIS OF PREPARATION

The preparation of financial statements is in conformity with the International Financial Reporting Standards for Small and Medium Sized Entities (IFRS for SMEs) as issued by International Accounting Standards Board (IASB) and as notified by the Commission, Board and the Accounting Standard for Not for Profit Organizations (NPOs) issued by the Institute of Chartered Accountants of Pakistan.

These standards require management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised if the revision affects only that year or in the year of the revision and future years if the revision affects both current and future years.

Significant areas requiring the use of management estimates in these financial statements relate to the useful life of depreciable assets, provision for doubtful receivables and slow-moving inventory. However, assumptions and judgments made by management in the application of accounting policies that have significant effect on the financial statements are not expected to result in material adjustment to the carrying amounts of assets and liabilities in the next year.

3.2 PROPERTY, PLANT & EQUIPMENT

3.2.1 OWNED

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost comprises acquisition and other directly attributable costs.

Depreciation is provided on reducing balance basis so as to write off the cost of an asset over its estimated useful life without taking into account any residual value. Depreciation on all additions / (deletions) is being charged on monthly basis. Full month's depreciation is charged on normal additions, while no depreciation is charged on items deleted during the month.

The assets' residual values and useful lives are reviewed at each financial year end and adjusted if impact on depreciation is significant. Normal repairs and maintenance are charged to income, while major renewals and improvements are capitalized.

Gain and loss on disposal of fixed assets are included in other income.

3.3 CAPITAL WORK IN PROGRESS

This represents cost / expenditures, if any, incurred on non-current assets during the installation / erection period. These are transferred to tangible assets as and when the assets are available for use.

**BIN QUTAB FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

3.4 INTANGIBLE ASSETS

Intangible assets are stated at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight-line basis over their estimated useful lives.

Costs that are directly associated with identifiable software products controlled by the Foundation and have probable economic benefit beyond one year are recognized as intangible assets. Cost associated with maintaining computer software products are recognized as expense as and when incurred.

3.5 IMPAIRMENT OF ASSETS

An assessment is made at each statement of financial position date to determine whether there is any indication of impairment or reversal of previous impairment, including items of property, plant and equipment, intangible assets and long-term investments. In the event that an asset's carrying amount exceeds its recoverable amount, the carrying amount is reduced to recoverable amount and an impairment loss is recognized in the statement of comprehensive income. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount, however not to an amount higher than the carrying amount that would have been determined (net of amortization or depreciation), had no impairment losses been recognized for the asset in prior years. Reversal of impairment loss is restricted to the original cost of the asset.

3.6 LONG TERM DEPOSITS

Long term deposits are stated at cost and are refundable or adjustable on maturity.

3.7 LOAN AND ADVANCES

Receivables are carried at original invoice amount less on estimates for doubtful receivable balances based on review of outstanding amounts at the year end. Bad debts are written off when identified.

3.8 CASH & CASH EQUIVALENTS

Cash and cash equivalents are carried in the statement of financial position at cost. For the purpose of statement of cash flows, cash and cash equivalents comprise cash in hand, cash with banks on current, revolving fund as imprest account.

3.9 OFFSETTING

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position, if the Organization has a legally enforceable right to set-off the recognized amounts and the Organization intends to settle either on a net basis or realize the asset and settle the liability simultaneously.

3.10 TRADE & OTHER PAYABLES

Liabilities for payables are initially recognized at fair value which is normally the transaction cost. Payables include securities and retention money.

3.11 EMPLOYEE BENEFITS SCHEME

The Organization is operating un-recognized Provident Fund Scheme for all permanent employees. Equal contributions are made by employees and the Organization at the rate of 8.33 percent of basic salary per month.

**BIN QUTAB FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

3.12 TAXATION

The Organization is duly approved as Non-Profit Organization under section 2(36) of the Income Tax Ordinance, 2001. The Organization is allowed tax credit equal to one hundred percent of the tax payable, including minimum tax and final taxes payable under section 100C of the Income Tax Ordinance, 2001.

3.13 REVENUE

3.13.1 UNRESTRICTED/ GENERAL FUND

Donations and other contributions are recognized as income on receipt basis.

3.13.2 RESTRICTED FUND

The Organization has adopted the restricted fund method and multi column format for fund accounting whereby a separate column is assigned to each specific purpose fund. During the year company has not received any restricted fund.

3.14 RELATED PARTY TRANSACTIONS

All transactions with related parties are made at arm's length prices determined in accordance with comparable uncontrolled price method. Parties are said to be related if they are able to influence the operating and financial decisions of the Organization and vice versa.

The related parties and associated undertakings comprise associated companies, companies in which directors are interested, staff retirement funds, directors and key management personnel.

3.15 CONTINGENCIES AND COMMITMENTS

Contingencies and commitments are accounted for when these become due.

3.16 SEGMENT REPORTING

Segment reporting is based on the operating segments of the Organization. An operating segment is a component of the Organization that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to the transactions with any of the Organization's other components. An operating segment's operating results are reviewed regularly by the Chief Executive Officer to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.



**BIN QUTAB FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

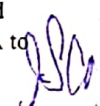
3.16.1 OPERATING SEGMENT

3.16.1.1 BEGUM NOOR MEMORIAL HOSPITAL

The hospital is providing quality services in the fields of Mother Child Health Care including Gynecology, incubators for the new born, OBS, 24/7 Emergency Services, Digital X-Ray with CSR System, 3 Operation Theatres, Minor OT, General Surgery, Pharmacy, Modern and hi-Tech Diagnostic Laboratory, Multi-Specialty OPD, ICU, NICU, Kidney Dialysis, Disabled Rehab and Medical Consultant Services, various wards of Male, Female and Children, Dental Care, Dermatology, ENT, Eye, ECG, Ultrasound, Gastroenterology. Apart from that we are also facilitating the patients through ambulance services and a shuttle service facilitating patients to come to the hospital from far flung areas.

3.16.1.2 ISOLATION HOSPITAL AND INFECTIONS TREATMENT CENTER (IHITC)

The organization entered into agreement with National Disaster Management Authority (NDMA) for provision of management and advisory services with regard to Isolation Hospital and Infections Treatment Center- IHITC, Islamabad, a health care facility purposefully established to build the Nations, response and resilience against COVID-19 pandemic and other infectious diseases. Under the agreement the organization is required to work in collaboration with its global health partner " Doctors Worldwide" with regard to operational planning and execution, provide services of Clinical and Non-Clinical Staff and their training, quality healthcare delivery and administration of the IHITC. The organization will serve as the intermediary technical support body for NDMA to operate IHITC.



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

4 PROPERTY PLANT AND EQUIPMENT - UNRESTRICTED

PARTICULARS	2021						W.D.V. As At June 30, 2021
	COST		Rate	DEPRECIATION		As At June 30, 2021	
	As At July 01, 2020	Additions/ Transfers June 30, 2021		As At July 01, 2020	For the year		
Land- freehold	7,099,170	-	-	-	-	7,099,170	
Building on freehold land	73,799,458	-	10%	5,578,696	23,591,192	50,208,266	
Furniture and fixture	1,053,318	71,000	10%	60,227	514,112	610,206	
BNM hospital furniture	4,191,338	-	10%	275,141	1,715,065	2,476,273	
Vehicles	6,076,618	-	10%	370,085	2,745,855	3,330,763	
Office & electric equipment	5,628,078	371,620	10%	422,031	1,983,243	4,016,455	
Medical equipment	42,809,158	13,416,321	10%	3,512,741	16,432,113	39,793,366	
Computers	848,528	25,300	20%	79,619	551,136	322,692	
Total 2021	141,505,666	13,884,241		10,298,540	47,532,716	107,857,191	

RUPEES

PARTICULARS	2020						W.D.V. As At June 30, 2020
	COST		Rate %	DEPRECIATION		As At June 30, 2020	
	As At July 01, 2019	Additions/ Transfers June 30, 2020		As At July 01, 2019	For the year		
Land- freehold	7,099,170	-	-	-	-	7,099,170	
Building on freehold land	53,190,903	20,608,555	10%	4,099,532	18,012,496	55,786,962	
Furniture and fixture	1,041,068	12,250	10%	66,037	453,885	599,433	
BNM hospital furniture	4,191,338	-	10%	305,713	1,439,924	2,751,414	
Vehicles	6,076,618	-	10%	411,205	2,375,770	3,700,848	
Office & electric equipment	4,634,348	993,730	10%	410,254	1,561,212	4,066,866	
Medical equipment	41,857,658	951,500	10%	3,270,726	12,919,372	29,889,786	
Computers	691,628	156,900	20%	91,555	471,517	377,011	
Total 2020	118,782,731	22,722,935		8,655,022	37,234,176	104,271,489	

RUPEES

5 INTANGIBLE ASSET

PARTICULARS	COST				Rate	AMORTIZATION				W.D.V. As At June 30, 2021
	As At		Additions/ Transfers	June 30, 2021		As At		For the year	June 30, 2021	
	July 01, 2020	June 30, 2021				July 01, 2020	June 30, 2021			
BNMH SOFTWARE	650,000	-	-	650,000	10%	65,000	58,500	123,500	526,500	
	650,000	-	-	650,000		65,000	58,500	123,500	526,500	

INTANGIBLE ASSET

PARTICULARS	COST				Rate	AMORTIZATION				W.D.V. As At June 30, 2020
	As At		Additions/ Transfers	June 30, 2020		As At		For the year	June 30, 2020	
	July 01, 2019	June 30, 2020				July 01, 2019	June 30, 2020			
BNMH SOFTWARE	-	650,000	-	650,000	10%	-	65,000	65,000	585,000	
	-	650,000	-	650,000		-	65,000	65,000	585,000	

**BIN QUTAB FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>NOTE</u>	<u>2021 RUPEES</u>	<u>2020 RUPEES</u>
6 CAPITAL WORK IN PROGRESS- UNRESTRICTED (Building on freehold land)			
Opening balance		17,965,500	31,446,640
Addition during the year	6.1	5,532,817	7,127,415
Transferred during the year to fixed assets		-	(20,608,555)
Closing balance at the end of year		<u>23,498,317</u>	<u>17,965,500</u>
6.1 Capital work in progress - Addition			
Addition in cash		5,532,817	7,127,415
Addition in kind		-	-
		<u>5,532,817</u>	<u>7,127,415</u>
7 LOANS AND ADVANCES - Unsecured			
Advances to staff - considered good		1,036,223	161,239
Advances to suppliers - considered good		2,066,748	875,770
		<u>3,102,971</u>	<u>1,037,009</u>
8 ADVANCE INCOME TAX			
Opening balance		23,104	27,661
Deducted during the year			
Withholding tax on utilities		154,965	1,919
Withholding tax on others		47,939	4,234
		226,008	33,814
Less: provision for the year			
Current		1,920,250	1,080,217
Tax credit u/s 100C of the Income Tax Ordinance, 2001		(1,920,250)	(1,080,217)
Prior period		16,951	10,710
		16,951	10,710
		<u>209,057</u>	<u>23,104</u>
9 CASH AND BANK BALANCES			
Cash in hand		1,697,231	320,927
Cash at bank - current accounts		1,424,887	4,900,098
Cash at bank - saving account	9.1	18,723,138	7,037,424
		<u>21,845,256</u>	<u>12,258,449</u>

9.1 This saving account carries markup ranging from 2.75% to 2.90% (2020: 0.19% to 10.80%).

**BIN QUTAB FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>NOTE</u>	<u>2021 RUPEES</u>	<u>2020 RUPEES</u>
10 ACCRUED AND OTHER LIABILITIES			
Sundry creditors		4,240,530	2,389,256
Salaries payable		12,076,694	2,497,425
Audit fee payable		55,000	55,000
Withholding tax payable		5,833	28,580
Provident fund payable		142,760	25,444
Marketing expenses payable		94,715	194,715
Utilities payable		5,360	288,846
EOBI payable		20,058	13,558
		<u>16,640,950</u>	<u>5,492,824</u>
11 SHORT TERM BORROWINGS-Unsecured			
Shor term borrowings-Unsecured	11.1	<u>1,875,828</u>	<u>2,175,828</u>
11.1 Short term borrowings were provided by the member of the foundation at NIL markup.			
12 CONTINGENCIES AND COMMITMENTS			
- The Company has no contingency and commitments as at June 30, 2021. (2020: nil)			
13 DONATIONS/ RECIEPTS			
Donations received during the year (Gross)		58,653,715	46,662,539
Other reciepts		23,642,408	27,987,250
Less: Donations received in kind	13.1	<u>(1,322,206)</u>	<u>(2,682,003)</u>
Donations received in cash		<u>80,973,917</u>	<u>71,967,786</u>
13.1 Donations received in kind		1,322,206	2,682,003
Less: Transferred to:			
CWIP	6	-	-
Equipment		-	(1,191,000)
Expense		<u>(1,322,206)</u>	<u>(1,491,003)</u>
		<u>-</u>	<u>-</u>
14 OTHER INCOME			
IHITC HR Service Other Income	19.2	1,947,680	-
Miscellaneous income		319,618	46,702
Other Income		<u>2,267,298</u>	<u>46,702</u>

**BIN QUTAB FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>NOTE</u>	<u>2021 RUPEES</u>	<u>2020 RUPEES</u>
15 OPERATING EXPENSES			
Salaries and benefits		22,602,079	26,199,489
Travelling and conveyance		350,902	910,462
Repairs and maintenance		991,118	514,555
Telephone, postage and courier		232,673	518,204
Printing, stationery and periodicals		1,227,948	848,450
Utilities		4,174,563	3,734,049
Entertainment expenses		1,667,861	2,047,228
Petrol, oil and lubricants		598,540	236,790
Depreciation expense		10,298,540	8,655,022
Miscellaneous expenses		377,397	70,448
Medicine and lab regents		17,864,605	15,865,000
Financial support program	15.1	3,420,972	1,752,675
Advertisement / publicity and promotions		99,700	-
Marketing expenses		970,284	736,567
Event expenses		88,115	20,347
Office rent		752,500	420,000
Software amortization expense		58,500	65,000
Staff medical assistance		96,107	11,944
		<u>65,872,404</u>	<u>62,606,230</u>

15.1 FINANCIAL SUPPORT PROGRAM (FSP):

FSP for needy families		3,420,972	1,324,265
FSP for needy patients		-	428,410
		<u>3,420,972</u>	<u>1,752,675</u>

16 ADMINISTRATIVE EXPENSES

Salaries and benefits	16.1	6,404,781	4,718,834
Travelling and conveyance		168,868	223,984
Repairs and maintenance		155,500	29,400
Telephone, postage and courier		567,500	463,690
Printing, stationery and periodicals		94,554	451,484
Legal and professional charges	16.2	816,624	290,534
Auditors' remuneration	16.3	55,000	55,000
Entertainment expenses		129,664	214,083
Petrol, oil and lubricants		47,212	195,000
Advertisement expenses		-	20,000
Tax expense	8	16,951	10,710
		<u>8,456,654</u>	<u>6,672,719</u>

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**BIN QUTAB FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>NOTE</u>	<u>2021 RUPEES</u>	<u>2020 RUPEES</u>
16.1 Salaries and Benefits			
Salaries and benefits include provident fund expense of Rs. 147,641 /- (2020: Rs. 173,215 /-).			
The aggregate amount charged for the Directors, Chief Executive and Executive numbering nil (2020: Nil) for the year has been Rs. Nil (2020: Rs. Nil)			
16.2 Legal and Professional Charges			
Legal charges and fees		723,086	223,769
Programming and consulting fee		13,100	-
Website maintenance charges		80,438	66,765
		<u>816,624</u>	<u>290,534</u>
16.3 Auditors' Remuneration			
Audit fee		<u>55,000</u>	<u>55,000</u>
17 FINANCIAL CHARGES			
Bank charges		183,748	258,984
Commission charges		-	-
		<u>183,748</u>	<u>258,984</u>

18 RELATED PARTY TRANSACTIONS

The Company has a policy whereby all transactions with related parties are entered into at arm's length prices using comparable uncontrolled price method. Transactions and outstanding balances with related parties during the period are as follows:-

<u>Relation with the Company</u>	<u>Nature of transaction</u>	<u>NOTE</u>	<u>2021 RUPEES</u>	<u>2020 RUPEES</u>
Directors/ members	Donations	18.1	<u>786,072</u>	<u>3,723,885</u>
Associated company- Bin Qutab International	Donations	18.2	<u>1,381,395</u>	<u>3,403,182</u>
	Donations		<u>-</u>	<u>-</u>
Member	Short term loan	18.3	<u>1,875,828</u>	<u>2,175,828</u>

18.1 Directors/ members are related parties on the basis of being members of the Foundation.

18.2 Bin Qutab International in the associated company of Foundation on the basis of common directorship.

18.3 Short term borrowings were provided by the member of the foundation at NIL markup.

**BIN QUTAB FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>NOTE</u>	<u>2021 RUPEES</u>	<u>2020 RUPEES</u>
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19 SEGMENT REPORTING

19.1 Begum Noor Memorial Hospital (BNMH)

The segment analysis with respect to its income and expenses is as follows:

Donations/Receipts

Patient OPD receipts	3,383,390	5,810,670
Lab charges received	4,488,395	4,313,558
ECG & USG charges received	395,825	359,915
Pharmacy charges received	9,071,978	13,828,921
Mazameen-e-Qur'an	8,900	2,350
Procedure fee received from patients	656,510	332,300
X-ray fee received from patients Bnmh	1,597,180	1,281,775
Mobile Hospital proceed	-	374,235
Dialysis charges received from patients	2,979,100	1,020,206
Ambulance charges received	429,600	482,850
Miscellaneous other income	-	7,000
Physio charges	47,800	130,990
Card registration charges	-	42,480
	<u>23,058,678</u>	<u>27,987,250</u>

Expenses

Salaries and benefits	22,602,079	26,199,489
Travelling and conveyance	350,902	910,462
Repairs and maintenance	991,118	514,555
Telephone, postage and courier	232,673	518,204
Printing, stationery and periodicals	1,227,948	848,450
Medicine and lab regents	17,864,605	15,865,000
Utilities	4,174,563	3,734,049
Entertainment expenses	1,667,861	2,047,228
Petrol, oil and lubricants	598,540	236,790
Miscellaneous expenses	377,397	70,448
Advertisement /publicity and promotions	99,700	-
Marketing expenses	970,284	736,567
Event expenses	88,115	20,347
Financial support program	3,420,972	1,752,675
Rent expenses	752,500	420,000
Staff medical assistance	96,107	11,944
	<u>55,515,364</u>	<u>53,886,208</u>

**BIN QUTAB FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>NOTE</u>	<u>2021 RUPEES</u>	<u>2020 RUPEES</u>
19.2 Isolation Hospital & Infections Treatment Centre (IHITC)			
The segment analysis with respect to its income and expenses is as follows:			
Donations/Receipts			
Total Receipts from NDMA for July 2020 to December 2020		129,792,737	-
Total Receipts from NDMA for Jan 2021 to June 2021		50,462,998	-
		<u>180,255,735</u>	<u>-</u>
Expenses			
Disbursement of expense IHITC Hospital from July - December 2020		129,792,737	-
Disbursement of expense IHITC Hospital from Jan - June 2021		45,120,800	-
		<u>174,913,537</u>	<u>-</u>
Profit Earned		<u>5,342,198</u>	<u>-</u>
Other Allowances and Expenses		3,394,519	-
Total Other Income		<u>1,947,680</u>	<u>-</u>
Tax withheld by IHITC		160,266	-

19.2.1 During the year the Organization has entered into agreement to provide management and advisory services to NDMA (Ref. to Note 3.16.1.2) without any service charges for the period from July 2020 to December 2020 and charged 14% and 11% as admin charges for each quarter respectively from January 2021 to June 2021.

20 PROVIDENT FUND

20.1 The company has maintained an employees provident fund trust and investments out of the fund are made in

		<u>Audited</u>	<u>Audited</u>
Size of the fund		913,917	654,466
Cost of investment made	20.2	771,157	629,022
Percentage of investment made		84%	96.11%
Fair value of investment		771,157	629,022

20.2 Breakup of cost of investment - amount

Saving bank account	<u>771,157</u>	<u>629,022</u>
	<u>84%</u>	<u>96.11%</u>

20.3 The above information is based on financial statements of the Provident Fund, 2021, audited by M/S. Bilal Zia & Co., Chartered Accountants.

• **BIN QUTAB FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>NOTE</u>	<u>2021 RUPEES</u>	<u>2020 RUPEES</u>
21 NUMBER OF EMPLOYEES			
Number of employees at the end of the year		<u>62</u>	<u>82</u>
Average number of employees during the year		<u>72</u>	<u>80</u>


21.1 Average and number of employees during the year in factory is not applicable to the company.

22 DATE OF AUTHORIZATION OF ISSUE


These financial statements were authorized for issue by the Board of Directors on 107 OCT 2021.

23 GENERAL


Figures have been rounded off to the nearest rupee. Corresponding figures have been re-arranged and re-classified for better presentation, wherever necessary. However, no significant re-classifications have been made in these accounts.



Chief Financial Officer



Chief Executive Officer



Chairman