

BIN QUTAB FOUNDATION

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

ILYAS SAEED & CO.

CHARTERED ACCOUNTANTS

A member of

mgiworldwide 

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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, 2023 and the related 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, 2023 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 of the information included in the annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 the audit or otherwise appears to be materially misstated. If,

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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 were not provided with any other information; whatsoever, and thus, 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 the 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 Organization 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 the 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 Organization'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) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

Engagement partner on the audit resulting in this independent auditor's report is Shahid Mehmood.

Ilyas Saeed & Co.
ILYAS SAEED & CO.

Chartered Accountants

Lahore.

Date: 06th October, 2023

UDIN: AR202310055o62K3rsZy



**BIN QUTAB FOUNDATION
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2023**

ASSETS	NOTE	2023 RUPEES	2022 RUPEES
NON CURRENT ASSETS			
Property, plant and equipment - unrestricted	4	139,400,883	121,835,318
Intangible assets	5	498,866	576,598
Capital work in progress - unrestricted	6	11,607,571	5,443,086
Long term deposits	7	176,600	176,600
		151,683,920	128,031,602
CURRENT ASSETS			
Loans and advances - unsecured	8	3,018,127	9,824,391
Advance income tax	9	332,367	250,189
Cash and bank balances	10	14,021,907	12,177,289
		17,372,401	22,251,869
TOTAL ASSETS		169,056,321	150,283,471
FUNDS AND LIABILITIES			
FUNDS			
General / unrestricted fund	SOCF	160,558,373	135,355,043
CURRENT LIABILITIES			
Accrued and other liabilities	11	6,141,517	13,778,428
Short term borrowings	12	2,356,431	1,150,000
		8,497,948	14,928,428
CONTINGENCIES AND COMMITMENTS	13	-	-
TOTAL FUNDS AND LIABILITIES		169,056,321	150,283,471

The annexed notes from (1) to (27) form an integral part of these financial statements.


Chief Financial Officer


Chief Executive Officer


Chairman

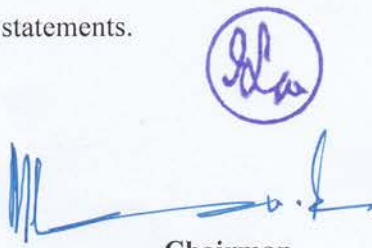
**BIN QUTAB FOUNDATION
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2023**

PARTICULARS	NOTE	2023	2022
		RUPEES <u>Unrestricted</u>	RUPEES <u>Unrestricted</u>
INCOME			
Donations / receipts	14	166,680,626	86,954,464
Other receipts	15	334,526	1,796,707
		167,015,152	88,751,171
EXPENDITURE			
Operating expenses	16	(131,172,717)	(81,560,068)
Administrative expenses	17	(19,245,755)	(14,141,649)
Finance costs	18	(255,538)	(265,460)
		(150,674,010)	(95,967,177)
Other income	19	7,231	649,895
SURPLUS / (DEFICIT) FOR THE YEAR		<u>16,348,373</u>	<u>(6,566,111)</u>

The annexed notes from (1) to (27) form an integral part of these financial statements.


Chief Financial Officer


Chief Executive Officer


Chairman

**BIN QUTAB FOUNDATION
STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED JUNE 30, 2023**

PARTICULARS	GENERAL FUND	CAPITAL FUND	TOTAL
	RUPEES	RUPEES	RUPEES
	<u>Unrestricted</u>	<u>Unrestricted</u>	<u>Unrestricted</u>
Balance as at July 01, 2021	122,446,053	16,153,061	138,599,114
Addition during the year (in kind)	3,322,040	-	3,322,040
(Deficit) for the year	(6,566,111)	-	(6,566,111)
Balance as at June 30, 2022	<u>119,201,982</u>	<u>16,153,061</u>	<u>135,355,043</u>
Balance as at July 01, 2022	119,201,982	16,153,061	135,355,043
Addition during the year (in kind)	5,244,357	3,610,600	8,854,957
Surplus for the year	16,348,373	-	16,348,373
BALANCE AS AT JUNE 30, 2023	<u><u>140,794,712</u></u>	<u><u>19,763,661</u></u>	<u><u>160,558,373</u></u>

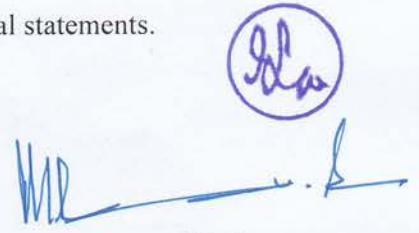
The annexed notes from (1) to (27) form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Chairman

**BIN QUTAB FOUNDATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023**

PARTICULARS	<u>NOTE</u>	2023 <u>RUPEES</u>	2022 <u>RUPEES</u>
CASH FLOW FROM OPERATING ACTIVITIES			
Surplus / (deficit) for the year		16,348,373	(6,566,111)
Adjustments for:			
Depreciation for the year		12,988,256	11,137,788
Amortization for the year		77,732	77,222
Loss on disposal of vehicle		3,750	(632,944)
Cash flow before changes in working capital		29,418,111	4,015,954
Working capital changes:			
Decrease / (Increase) in Loans and advances		6,806,264	(6,721,420)
(Decrease) in Creditors and other accruals		(7,636,912)	(2,862,522)
Net working capital changes		(830,648)	(9,583,942)
Cash flow from operations		28,587,463	(5,567,988)
Taxes paid - net		(82,178)	(41,133)
Net cash flows from operating activities		28,505,286	(5,609,120)
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed assets purchased		(31,507,571)	(2,464,580)
Additions in intangible assets		-	(127,320)
Proceeds from disposal of vehicle		950,000	1,075,000
Capital work in progress		(6,164,485)	(5,038,160)
Long term deposits		-	(100,000)
Net cash flows from investing activities		(36,722,056)	(6,655,060)
CASH FLOWS FROM FINANCING ACTIVITIES			
Donations received during the year		8,854,957	3,322,040
Increase / (Decrease) in short term financing		1,206,431	(725,828)
Net cash flows from financing activities		10,061,388	2,596,212
Net increase / (decrease) in cash and cash equivalents		1,844,618	(9,667,968)
Cash and cash equivalents at the start of the year		12,177,289	21,845,257
CASH AND CASH EQUIVALENTS AT END OF YEAR		14,021,907	12,177,289

The annexed notes from (1) to (27) form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer




Chairman

**BIN QUTAB FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

1 CORPORATE AND GENERAL INFORMATION

1.1 LEGAL STATUS AND OPERATIONS

Bin Qutab Foundation (the 'Foundation') 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 Foundation 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 & 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 "Begum Noor Memorial Hospital (BNMH)" in Chakwal. The area of land on which the hospital is situated is 15 Kanals. The hospital is duly registered under the Punjab Health Care Commission. The Foundation obtained license to operate as a non-profit-organization from the Securities and Exchange Commission of Pakistan which was valid till 31-12-2020. The Foundation applied for renewal of license however, the Securities and Exchange Commission of Pakistan vide Notification # S.R.O. 1574(1)/2021 dated November 29, 2021 made the amendments to the Association with Charitable and Not For Profit Objects Regulations, 2018 and according to the said Notification, license once granted according to section 42 of the Companies Act, 2017, is no more required to be renewed.

2 STATEMENT OF COMPLIANCE

2.1 These financial statements have been prepared in accordance with the Approved Accounting Standards as applicable in Pakistan. Approved Accounting Standards comprise of such International Financial Reporting Standards and the Accounting Standards 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 the provisions of and directives issued under the Companies Act, 2017. Where provisions of and / or directives issued under the Companies Act, 2017 differ from the requirements of IFRSs, the provisions of or directives issued under the Companies Act, 2017 have been followed.

2.2 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:

IFRS 16 – Leases - Annual Improvements to IFRS Standards 2018-2020.

However, this adoption has no impact on the financial statements of the Foundation.



2.3 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	01 January 2023
IAS 1 – Classification of liabilities as current and non current- Deferral to Effective date Amendments to IAS 01	01 January 2023
IAS 8 – Amended by Definition of Accounting Estimates – Amendments to IAS 8	01 January 2023
IAS 16 – Amended by property, plant and equipment — Proceeds before Intended Use	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	01 January 2023
IFRS 9 – Financial Instruments – Annual Improvements to IFRS Standards 2018–2020 (Amended)	01 January 2022

2.3.1 In addition to the above standards and amendments, improvements to various accounting standards have also been issued by the IASB during previous years. Such improvements are generally effective for accounting periods beginning on or after January 01, 2022 and January 01, 2023 respectively. The Foundation expects that such improvements to the standards will not have any significant impact on the Foundation's financial statements in the period of initial application or thereafter.

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

The Foundation expects that the adoption of the above standard will have no material effect on the Foundation'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.

The preparation of financial statements is in conformity with the requirements of International Financial Reporting Standards for Not For Profit Organization (IFRS for NPOs) as issued by the International Accounting Standards Board (IASB) as notified by the Securites & Exchange Commission of Pakistan as adopted by the Institute of Chartered Accountants of Pakistan.

3.1 ESTIMATES & JUDGMENTS

These standards require the 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, amortization and provision for taxation. 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 next year.

3.2 PROPERTY, PLANT & EQUIPMENT

3.2.1 OWNED

All the Property, Plant and Equipment have been valued at cost less accumulated depreciation and accumulated impairment losses (if any) except Freehold Land and Capital Work In Progress which are stated at cost. Cost includes purchase price and all incidental expenses incurred up to the date the asset is put to use. The Capital Work In Progress is transferred to fixed assets as and when assets are available for intended use. All expenses including borrowing costs, if any, as per IAS-23, will be capitalized at the time when these assets will start commercial production.



**BIN QUTAB FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

Depreciation on property, plant and equipment is charged as an expense on reducing balance method over its estimated useful life so as to write off the historical cost of an asset at the rates specified. Depreciation on additions is charged on the basis of number of months commencing from the month at which assets becomes available for use, while on disposals, depreciation is charged up to the month of deletion. The assets' residual values and useful lives are reviewed at each financial year end and adjusted if impact on depreciation is significant.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Foundation and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged as an expense during the period in which they are incurred.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and carrying amount of the asset) is included in the other income / expense in the year the asset is derecognized.

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 property, plant and equipment as and when the assets are available for use.

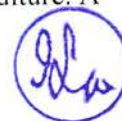
3.4 INTANGIBLE ASSETS

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 and intangible assets. 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 receipt and expenditure. A



**BIN QUTAB FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

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.

3.6 LONG TERM DEPOSITS

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

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 and saving accounts and 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 Foundation has a legally enforceable right to set-off the recognized amounts and the Foundation 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.

3.11 EMPLOYEE BENEFITS SCHEME

The Foundation is operating an un-recognized provident fund scheme for all permanent employees. Equal contributions are made by employees and the Foundation at the rate of 8.33 percent of basic salary per month.

3.12 TAXATION

The Foundation is duly approved as Non-Profit Foundation under section 2(36) of the Income Tax Ordinance, 2001. The Foundation 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.



**BIN QUTAB FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

3.13 INCOME

3.13.1 UNRESTRICTED / GENERAL FUND

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

3.13.2 RESTRICTED FUND

The Foundation 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, the Foundation 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 each other.

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 Foundation. An operating segment is a component of the Foundation 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 Foundation'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.

3.16.1 OPERATING SEGMENTS

a) 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 through various wards



**BIN QUTAB FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

of Male, Female and Children, Dental Care, Dermatology, ENT, Eye, ECG, Ultrasound, Gastroenterology. Apart from that, the Foundation is also facilitating the patients through ambulance services and a shuttle service facilitating patients to come to the hospital from far flung areas.

b) ISOLATION HOSPITAL AND INFECTIONS TREATMENT CENTER

The Foundation entered into an 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 Foundation 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 Foundation served as the intermediary technical support body for NDMA to operate IHITC. The aforesaid agreement expired on 31st December 2021.



BIN QUTAB FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

4 PROPERTY PLANT AND EQUIPMENT - UNRESTRICTED

PARTICULARS	2023										W.D.V. As At June 30, 2023
	COST				Rate	DEPRECIATION				As at June 30, 2023	
	As at July 01, 2022	Additions	(Deletions)	As at June 30, 2023		As at July 01, 2022	Adjustment for disposal	For the year	As at June 30, 2023		
	Rupees					Rupees					
Land- freehold	7,099,170	-	-	7,099,170	-	-	-	-	-	-	7,099,170
Building on freehold land	96,892,849	-	-	96,892,849	10%	29,520,818	-	6,737,203	36,258,021	-	60,634,828
Furniture and fixture	1,144,263	113,900	-	1,258,163	10%	575,587	-	65,404	640,991	-	617,172
BNM hospital furniture	4,191,338	362,000	-	4,553,338	10%	1,962,692	-	222,865	2,185,557	-	2,367,781
Vehicles	4,976,618	4,425,000	(1,050,000)	8,351,618	10%	2,456,830	(96,250)	376,354	2,736,934	-	5,614,684
Office & electric equipment	6,392,893	9,239,993	-	15,632,886	10%	2,402,395	-	803,931	3,206,326	-	12,426,560
Medical equipment	58,085,749	17,260,178	-	75,345,927	10%	20,459,869	-	4,689,182	25,149,051	-	50,196,876
Computers	1,064,998	106,500	-	1,171,498	20%	634,369	-	93,317	727,686	-	443,812
TOTAL 30-06-2023	179,847,878	31,507,571	(1,050,000)	210,305,449		58,012,560	(96,250)	12,988,256	70,904,566		139,400,883

4.1 PROPERTY PLANT AND EQUIPMENT - UNRESTRICTED - Comparative

PARTICULARS	2022										W.D.V. As At June 30, 2022
	COST				Rate	DEPRECIATION				As at June 30, 2022	
	As at July 01, 2021	Additions	(Deletions)	As at June 30, 2022		As at July 01, 2021	Adjustment for disposal	For the year	As at June 30, 2022		
	Rupees					Rupees					
Land- freehold	7,099,170	-	-	7,099,170	-	-	-	-	-	-	7,099,170
Building on freehold land	73,799,458	23,093,391	-	96,892,849	10%	23,591,192	-	5,929,626	29,520,818	-	67,372,031
Furniture and fixture	1,124,318	19,945	-	1,144,263	10%	514,112	-	61,475	575,587	-	568,676
BNM hospital furniture	4,191,338	-	-	4,191,338	10%	1,715,065	-	247,627	1,962,692	-	2,228,646
Vehicles	6,076,618	-	(1,100,000)	4,976,618	10%	2,745,855	(657,944)	368,919	2,456,830	-	2,519,788
Office & electric equipment	5,999,698	393,195	-	6,392,893	10%	1,983,243	-	419,152	2,402,395	-	3,990,498
Medical equipment	56,225,479	1,860,270	-	58,085,749	10%	16,432,113	-	4,027,756	20,459,869	-	37,625,880
Computers	873,828	191,170	-	1,064,998	20%	551,136	-	83,233	634,369	-	430,629
TOTAL 30-06-2022	155,389,907	25,557,971	(1,100,000)	179,847,878		47,532,716	(657,944)	11,137,788	58,012,560		121,835,318

4.2 Fixed assets sold having book value greater than Rs. 500,000/-

2023					
PARTICULARS	SOLD TO	COST	NET BOOK VALUE	SALE PROCEEDS	GAIN / (LOSS) ON PROCEEDS
-----Rupees-----					
HONDA CIVIC LXZ-5555	Pak Sherazi Motor	1,050,000	953,750	950,000	(3,750)
2023 TOTAL		1,050,000	953,750	950,000	(3,750)
Honda Civic (LWL-8927)	Abid Hussain (3rd Party)	1,100,000	442,056	1,075,000	632,944
2022 TOTAL		1,100,000	442,056	1,075,000	632,944

5 INTANGIBLE ASSET

2023										
PARTICULARS	COST				Rate	AMORTIZATION				W.D.V. As At June 30, 2023
	As at July 01, 2022	Additions	(Deletions)	As at June 30, 2023		As at July 01, 2022	Adjustment for disposal	For the year	As at June 30, 2023	
-----Rupees-----										
BNMH Software	727,320	-	-	727,320	10%	198,222	-	72,732	270,954	456,366
R & D Software	50,000	-	-	50,000	10%	2,500	-	5,000	7,500	42,500
TOTAL 30-06-2023	777,320	-	-	777,320		200,722	-	77,732	278,454	498,866

5.1 INTANGIBLE ASSET - Comparative

2022										
PARTICULARS	COST				Rate	DEPRECIATION				W.D.V. As At June 30, 2022
	As at July 01, 2021	Additions	(Deletions)	As at June 30, 2022		As at July 01, 2021	Adjustment for disposal	For the year	As at June 30, 2022	
-----Rupees-----										
BNMH Software	650,000	77,320	-	727,320	10%	123,500	-	74,722	198,222	529,098
R & D Software	-	50,000	-	50,000	10%	-	-	2,500	2,500	47,500
TOTAL 30-06-2022	650,000	127,320	-	777,320		123,500	-	77,222	200,722	576,598

**BIN QUTAB FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

	<u>NOTE</u>	<u>2023 RUPEES</u>	<u>2022 RUPEES</u>
6 CAPITAL WORK IN PROGRESS - UNRESTRICTED			
Building on freehold land:			
Opening balance		5,443,086	23,498,317
Addition during the year	6.1	6,164,485	5,038,160
Transferred during the year to fixed assets		-	(23,093,391)
Closing balance		<u>11,607,571</u>	<u>5,443,086</u>
6.1 Capital work in progress - additions			
Addition in cash		6,164,485	5,038,160
Addition in kind		-	-
		<u>6,164,485</u>	<u>5,038,160</u>
7 LONG TERM DEPOSITS			
Security and deposits	7.1	176,600	176,600
		<u>176,600</u>	<u>176,600</u>
7.1 These represent security deposits held with suppliers / vendors.			
8 LOANS AND ADVANCES - UNSECURED			
Advances to staff - considered good	8.1	2,441,492	2,037,593
Advances to suppliers - considered good		0	7,216,798
Other receivable - considered good		576,635	570,000
		<u>3,018,127</u>	<u>9,824,391</u>
8.1 These represent interest free short term temporary advances given to the employees of the Foundation to meet the day to day expenses and against their respective salaries.			
9 ADVANCE INCOME TAX			
Opening balance		250,189	209,057
Tax deducted / paid during the year		74,947	24,182
		325,136	233,239
Less: provision for the year			
Current		3,433,158	1,109,390
Tax credit u/s 100C		(3,433,158)	(1,109,390)
Prior period	19	(7,231)	(16,951)
		(7,231)	(16,951)
		<u>332,367</u>	<u>250,189</u>

**BIN QUTAB FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

	<u>NOTE</u>	<u>2023 RUPEES</u>	<u>2022 RUPEES</u>
10 CASH AND BANK BALANCES			
Cash in hand		367,329	1,823,418
Cash at bank - current accounts		2,001,306	988,205
Cash at bank - saving accounts	10.1	11,653,272	9,365,666
		<u>14,021,907</u>	<u>12,177,289</u>

10.1 The saving accounts carry profit at the rates ranging between 2.79% to 5.08% (2022: 2.75% to 6.5%) per annum.

11 ACCRUED AND OTHER LIABILITIES

Sundry creditors		3,208,242	9,269,294
Salaries payable		1,603,617	3,725,975
Audit fee payable		66,413	57,750
Withholding tax payable		85,122	43,255
Provident fund payable		85,696	91,240
Staff performance allowance payable		1,022,727	500,486
Utilities payable		4,200	12,490
EOBI payable		65,500	77,938
		<u>6,141,517</u>	<u>13,778,428</u>

12 SHORT TERM BORROWINGS - Unsecured

Short term borrowings	12.1	2,356,431	1,150,000
		<u>2,356,431</u>	<u>1,150,000</u>

12.1 These represent short term borrowings provided by the members of the Foundation at no markup to meet the cash deficiency on routine basis. These are returned during the year and borrowed again when needed. The maximum outstanding balance during any month and as at the year end was Rs. 2,743,444/-.

13 CONTINGENCIES AND COMMITMENTS

The Foundation has no contingency and / or commitment as at June 30, 2023 (2022: nil).

14 DONATIONS/ RECIEPTS

Donations received during the year - gross		108,809,827	56,418,899
Other receipts	22	66,725,756	33,857,605
Less: Donations received in kind	14.1	(8,854,957)	(3,322,040)
Donations received in cash		<u>166,680,626</u>	<u>86,954,464</u>

**BIN QUTAB FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

	<u>NOTE</u>	<u>2023 RUPEES</u>	<u>2022 RUPEES</u>
14.1 Donations received in kind			
Donations received in kind		8,854,957	3,322,040
Less: Transferred to:			
CWIP		-	-
Equipment		(3,610,600)	-
Expenses		(5,244,357)	(3,322,040)
		<u>(8,854,957)</u>	<u>(3,322,040)</u>
		<u>-</u>	<u>-</u>
15 OTHER RECEIPTS			
IHITC HR Services	22.2	-	1,646,598
Miscellaneous income		334,526	150,109
		<u>334,526</u>	<u>1,796,707</u>
16 OPERATING EXPENSES			
Salaries and benefits		37,773,918	28,762,097
Travelling and conveyance		15,120	-
Repairs and maintenance		6,190,382	3,040,687
Telephone, postage and courier		905,340	1,090,408
Printing, stationery and periodicals		1,953,239	1,732,904
Utilities		4,707,218	4,281,147
Entertainment expenses		105,423	1,800
Petrol, oil and lubricants		248,300	175,821
Depreciation expense	4	12,988,256	11,137,788
Miscellaneous expenses		1,169,852	523,574
Medicine and lab regents		52,837,848	23,026,838
Financial support program	16.1	5,625,467	4,393,352
Marketing expenses		1,582,451	2,252,830
Event expenses		2,182,631	16,500
Office rent		619,179	993,200
Software amortization expense	5	77,732	77,222
Staff medical assistance		19,921	53,900
Nursing college misc expenses (BNMH)		1,169,690	-
Loss on disposal		3,750	-
IHITC HR services expenses		997,000	-
		<u>131,172,717</u>	<u>81,560,068</u>
16.1 FINANCIAL SUPPORT PROGRAM (FSP)			
FSP for needy families		5,625,467	4,393,352
		<u>5,625,467</u>	<u>4,393,352</u>

**BIN QUTAB FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

	<u>NOTE</u>	<u>2023 RUPEES</u>	<u>2022 RUPEES</u>
17 ADMINISTRATIVE EXPENSES			
Salaries and benefits	17.1	10,704,045	8,230,814
Travelling and conveyance		1,436,092	641,141
Office supply		524,300	626,821
Repairs and maintenance		3,000	8,310
Telephone, postage and courier		646,779	341,665
Legal and professional charges	17.2	1,386,321	823,527
Auditors' remuneration	17.3	66,413	57,750
Entertainment expenses		2,840,450	2,174,243
Petrol, oil and lubricants		1,110,860	1,049,647
Advertisement expenses		28,196	13,200
Programming and consulting fee		433,772	100,769
Website maintenance charges		65,527	73,762
		<u>19,245,755</u>	<u>14,141,649</u>
17.1 Salaries and benefits			
Salaries and benefits include provident fund expense of Rs. 475,888/- (2022: Rs. 250,298/-). The aggregate amounts charged for Directors, Chief Executive and Executives numbering nil (2022: nil) for the year has been Rs. Nil (2022: Rs. Nil).			
17.2 Legal and professional charges			
Legal charges and fees		1,386,321	823,527
		<u>1,386,321</u>	<u>823,527</u>
17.3 Auditors' remuneration			
Annual audit fee		63,250	55,000
Sales tax @5%		3,163	2,750
		<u>66,413</u>	<u>57,750</u>
18 FINANCE COST			
Bank charges		255,538	265,460
		<u>255,538</u>	<u>265,460</u>
19 OTHER INCOME			
Gain on disposal of vehicle		-	632,944
Prior year tax adjustment	9	7,231	16,951
		<u>7,231</u>	<u>649,895</u>
20 CASH AND CASH EQUIVALENTS			
Cash and cash equivalents included in the statement of cash flows comprise of the following statement of financial position amounts:			
Cash and bank balances	10	14,021,907	12,177,289

BIN QUTAB FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE **2023** **2022**
RUPEES **RUPEES**

21 RELATED PARTY TRANSACTIONS

The Foundation 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 year are as follows:-

Name and basis of relationship	Nature of transaction		2023	2022
Directors / members	Donations	21.1	<u><u>1,632,610</u></u>	<u><u>1,102,593</u></u>
Associated company	Donations	21.2	<u><u>5,226,691</u></u>	<u><u>6,688,882</u></u>
Members	Short term loan	21.3	<u><u>2,356,431</u></u>	<u><u>1,150,000</u></u>
Members	Borrowings - net	21.3	<u><u>1,206,431</u></u>	<u><u>(725,828)</u></u>

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

21.2 Bin Qutab International is the associated company of the Foundation on the basis of common directorship.

21.3 Short term borrowings are provided by the members of the Foundation at NIL markup.

22 SEGMENT REPORTING

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

22.1 Begum Noor Memorial Hospital (BNMH)

Donations / Receipts

Patient OPD receipts	6,024,850	4,947,360
Lab charges received	4,754,850	4,939,790
ECG & USG charges received	1,226,280	453,870
Pharmacy charges received	13,981,730	11,470,659
Mazameen-e-Quran	-	-
Procedure fee received	862,000	1,920,444
X-ray fee received	1,902,100	2,078,200
Dialysis charges received	13,240,210	6,055,710
Ambulance charges received	423,500	408,800
Miscellaneous income	1,230,890	1,582,772
Physio charges	-	-
Card registration charges	-	-
Sehat insaf card income (SLI)	22,462,346	-
Nursing college income (BNMH)	617,000	-
	66,725,756	33,857,605

BIN QUTAB FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

	<u>NOTE</u>	<u>2023</u> <u>RUPEES</u>	<u>2022</u> <u>RUPEES</u>
Expenses			
Salaries and benefits		37,773,918	28,762,097
Travelling and conveyance		15,120	-
Repairs and maintenance		6,190,382	3,040,687
Telephone, postage and courier		905,340	1,090,408
Printing, stationery and periodicals		1,953,239	1,732,904
Medicine and lab regents		52,837,848	23,026,838
Utilities		4,707,218	4,281,147
Entertainment expenses		105,423	1,800
Petrol, oil and lubricants		248,300	175,821
Miscellaneous expenses		1,169,852	523,574
Marketing expenses		1,582,451	2,252,830
Event expenses		2,182,631	16,500
Financial support program		5,625,467	4,393,352
Rent expenses		619,179	993,200
Staff medical assistance		19,921	53,900
Nursing college misc expenses (BNMH)		1,169,690	-
		117,105,979	70,345,058
Net surplus / (deficit)		(50,380,223)	(36,487,453)

22.2 Isolation Hospital & Infections Treatment Centre (IHITC)

Donations / Receipts

NDMA for July 2020 to December 2020	-	-
NDMA for January 2021 to June 2021	-	-
NDMA for July 2021 to December 2021	-	49,294,173
	-	49,294,173

Expenses

Disbursement - expenses July 2020 to December 2020	-	-
Disbursement - expenses January 2021 to June 2021	-	-
Disbursement - expenses July 2021 to December 2021	997,000	47,647,575
	997,000	47,647,575

Surplus / (deficit)	(997,000)	1,646,598
Other allowances and expenses	-	-
Total Other Receipt	(997,000)	1,646,598

23 PROVIDENT FUND

23.1 The Foundation has maintained an Employees Provident Fund Trust and investments out of the Fund are made in accordance with the provisions of section 227 of the Companies Act, 2017 and the rules formulated for this purpose. The information of the Fund is as follows:



**BIN QUTAB FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

	<u>NOTE</u>	<u>2023 RUPEES</u>	<u>2022 RUPEES</u>
		2023	2022
		(Audited)	(Audited)
Size of the fund		1,875,911	1,183,237
Cost of investment made	23.2	1,500,000	1,091,997
Percentage of investment made		80%	92%
Fair value of investment		1,500,000	1,091,997

23.2 Breakup of cost of investment

Saving bank account		<u>1,790,207</u>	<u>1,091,997</u>
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23.3 The above information is based on the financial statements of the Provident Fund 2023 audited by M/S Bilal Zia & Co., Chartered Accountants.

24 NUMBER OF EMPLOYEES

Number of employees at the end of the year		<u>77</u>	<u>74</u>
Average number of employees during the year		<u>76</u>	<u>78</u>

25 CORRESPONDING FIGURES

Corresponding figures are re-arranged and / or re-classified, wherever necessary, for the purpose of better comparison. However, no material re-arrangement / re-classification has been done in these financial statements.


26 DATE OF AUTHORIZATION FOR ISSUE


The financial statements were authorized for issue by the Board on 06.10.2023.

27 GENERAL

Figures have been rounded off to the nearest rupee.


Chief Financial Officer


Chief Executive Officer


Chairman