

CHINIOT GENERAL HOSPITAL, KARACHI

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2015

MUSHTAQ & COMPANY
CHARTERED ACCOUNTANTS

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Member of



Illinois, USA

AUDITORS' REPORT TO THE MANAGING COMMITTEE

We have audited the annexed balance sheet of the **Chiniot General Hospital** as at June 30, 2015 and the related receipts and payments account and cash flow statement together with the notes forming part thereof (here-in-after referred to as the financial statements for the year then ended).

It is the responsibility of the managing committee to establish and maintain a system of internal control, and prepare and present the financial statements in conformity with the approved accounting standards as applicable in Pakistan and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards as applicable in Pakistan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting policies used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

In our opinion and to the best of our information and according to the explanation given to us, the balance sheet, receipts and payments account and cash flow statement together with notes forming part thereof conform with approved accounting standards as applicable in Pakistan and give the information required by the Companies Ordinance 1984, 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, 2015 and of the surplus and its cash flow for the year then ended.-

KARACHI:

Date: **03 MAR 2016**

A handwritten signature in black ink, appearing to read 'Mushtaq Ahmed Vohra', is written over the printed name and title.

MUSHTAQ & COMPANY
Chartered Accountants
Engagement Partner:
Mushtaq Ahmed Vohra
FCA

**CHINIOT GENERAL HOSPITAL
BALANCE SHEET
AS AT JUNE 30, 2015**

		2015 Rupees	2014 Rupees			2015 Rupees	2014 Rupees
MULATED FUND	3	145,150,557	129,226,666	PROPERTY, PLANT AND EQUIPMENT	5	116,984,108	118,362,240
TY DEPOSITS		406,000	106,000	LONG TERM DEPOSITS	6	5,591,502	5,585,002
ENT LIABILITIES				CURRENT ASSETS			
ors, accrued and r liabilities	4	28,408,982	44,044,872	Stores		14,052,724	8,360,264
lding tax payable		1,351,439	989,518	Advances and prepayments	7	4,505,520	6,737,676
		29,760,421	45,034,390	Other receivables	8	16,815,454	26,660,301
				Cash and bank balances	9	17,367,670	8,661,573
						52,741,368	50,419,814
		175,316,978	174,367,056			175,316,978	174,367,056

Annexed notes form an integral part of these financial statements.

M. M. M. M.
+ **CHAIRMAN**

[Signature]
MEMBER FINANCE COMMITTEE

[Signature]
MEDICAL DIRECTOR

03 MAR 2016

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**CHINIOT GENERAL HOSPITAL
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2015**

	NOTE	2015 Rupees	2014 Rupees
Receipts			
Hospital receipts		313,905,868	280,809,554
Expenditure			
Salaries and benefits		127,309,614	109,764,840
Consultants salaries		31,292,154	24,546,016
Medicines and hospital supplies		89,260,309	89,735,886
Electricity, gas and fuel		13,983,368	18,202,315
Depreciation		13,177,243	13,019,629
Outside lab test charges		5,957,827	8,187,046
Repairs and maintenance		8,090,229	9,169,291
Other receivables - written off		764,018	572,623
Rent, rates and taxes		1,511,569	1,288,007
Printing and stationery		2,894,995	2,570,736
Vehicles running and maintenance		2,032,807	2,224,842
Advertisement and publicity		1,063,942	1,357,929
Telephone and postage		228,835	400,672
Fees and subscription		378,821	125,395
Travelling and conveyance		326,260	488,919
Entertainment		411,690	275,888
Insurance		346,253	187,843
Security charges		448,491	275,000
Legal and Professional		142,531	198,405
Loss on disposal		997,448	-
Audit fee		87,846	79,860
Others		4,300,299	1,068,926
		<u>(305,006,548)</u>	<u>(283,740,068)</u>
Excess of expenditure over income		8,899,320	(2,930,514)
Other income			
Donation for Canteen		1,307,942	1,400,577
Gain on sale of fixed assets		549,446	129,382
Receipts from scrap sale		228,762	75,900
Liabilities written back		2,742,763	-
Others receipts		2,124,769	628,904
		<u>6,953,682</u>	<u>2,234,763</u>
Donations received			
Prior Year Adjustment		(179,410)	(1,360,071)
Others - in kind		-	1,900
		<u>(179,410)</u>	<u>(1,358,171)</u>
Surplus/(deficit) for the year transferred to accumulated fund		<u>15,673,592</u>	<u>(2,053,922)</u>

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


CHAIRMAN


MEMBER FINANCE COMMITTEE


MEDICAL DIRECTOR

Karachi
Date: **03 MAR 2016**

CHINIOT GENERAL HOSPITAL - KARACHI
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

STATUS AND ACTIVITIES

Chiniot General Hospital (the Hospital) is one of the Welfare Units of Chiniot Anjuman Islamia and is registered under the Societies Registration Act, 1860 on May 26, 1983 which is providing full fledge Hospital services consisting of 137 beds at low income Industrial Area-Korangi, Karachi, in the province of Sindh.

SIGNIFICANT ACCOUNTING POLICIES

2.1 Accounting convention

These accounts have been prepared under "historical cost convention".

2.2 Operating fixed assets

Operating fixed assets are stated at cost less accumulated depreciation except leasehold land and capital work in progress which are stated at cost less impairment, if any.

Depreciation is charged using reducing balance method over its estimated useful life at the rates specified. Depreciation is charged from the month of acquisition and up to the month preceding the month of disposal respectively.

Maintenance and normal repairs are charged to income as and when incurred. Major renewals and improvements are capitalised.

Gains and losses on disposal of operating fixed assets are included in current income.

All expenditure connected with specific assets incurred during installation and construction period are carried under capital work-in-progress. These are transferred to specific assets as and when these assets are available for use.

2.3 Store and supplies

These are valued at FIFO (First in first out) cost method.

2.4 Income recognition

Service income is accounted for on cash basis except services income received in advance which is treated as liability.

Donations received in kind are recorded in the books after converting into Rupee value.

	Note	2015 Rupees	2014 Rupees
ACCUMULATED FUND			
Opening balance		129,226,666	130,700,588
Chiniot Anjuman Islamia capital reimbursement		-	580,000
Welfare Fund		250,300	-
Prior years adjustments		-	
Surplus/(deficit) for the year transferred from			
income and expenditure account		15,673,592	(2,053,922)
		145,150,557	129,226,666

**CREDITORS, ACCRUED AND OTHER
LIABILITIES**

Creditors		11,636,897	22,888,942
Accrued expenses		3,463,291	10,877,052
Other liabilities		13,308,795	7,969,878
Others	4.1	-	2,309,000
		<u>28,408,982</u>	<u>44,044,872</u>

4.1 Fund Financed by Ameen office for SSGC MCB guarantee.

PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets	5.1	116,984,108	118,362,240
Capital work-in-progress			
Gas Generator		-	-
Advance for purchase of equipments		-	-
		<u>116,984,108</u>	<u>118,362,240</u>

LONG TERM DEPOSITS

		2015 Rupees	2014 Rupees
Security deposit - KESC		497,200	497,200
Pak Com Limited		2,000	2,000
PTCL		9,900	9,900
KWSB		66,612	66,612
BOC Pakistan Limited		-	100,000
SSGC	6.1	4,969,290	4,869,290
Others		46,500	40,000
		<u>5,591,502</u>	<u>5,585,002</u>

6.1 Includes Bank Guarantee margin Rs.2,309,000 issued by MCB to SSGC in respect of settlement of the demand for payment of gas consumed in accordance with bills or billed made out within the time noted on bill.

ADVANCES AND PREPAYMENTS

- Considered good

Advances			
-For expenses		47,209	37,889
-To staff		221,848	224,282
-Income tax		-	219,952
-To Contractors or supplier		1,462,719	2,936,625
Prepayments		2,773,744	3,318,928

- Considered doubtful

Less: Provision for doubtful income tax

		-	-
		<u>4,505,520</u>	<u>6,737,676</u>

5.1. OPERATING FIXED ASSETS

Particulars	Cost as on July 2014.	Additions/ (deletions)	Cost As on June 30, 2015	Accumulated depreciation at July 01, 2014	Depreciation / (adjustment) for the year	Accumulated depreciation at June 30, 2015	Carrying value at June 30, 2015	Depreciation rates (%)
-----Rupees-----								
Land - leasehold	452,200	-	452,200	-	-	-	452,200	-
Building on leasehold land	109,233,626	2,512,921	111,746,547	50,660,146	2,964,517	53,624,663	58,121,884	5%
Mosque building on leasehold land	1,368,355	29,922	1,398,277	766,107	30,112	796,220	602,057	5%
Nurses hostel on leasehold land	6,984,470	276,532	7,261,002	3,305,885	183,929	3,489,814	3,771,188	5%
Generator and electrical appliances	27,287,122	1,105,492 (152,034)	28,240,580	6,757,978	3,059,849 (4,668)	9,813,159	18,427,421	15%
Hospital equipment	44,047,964	1,291,879 (1,112,786)	44,227,057	31,716,807	2,466,841 (745,566)	33,438,082	10,788,975	20%
Diagnostics equipment	37,354,525	616,095 (1,725,554)	36,245,066	30,934,765	1,133,360 (819,840)	31,248,285	4,996,781	20%
Furniture and fixture	12,682,673	419,005 (688,437)	12,413,241	8,397,754	398,718 (336,324)	8,460,148	3,953,093	10%
Computer equipments	5,734,020	1,601,172 (557,164)	6,778,028	3,846,487	765,955 (515,167)	4,097,275	2,680,753	33%
Office equipment	16,372,832	2,424,728 (976,543)	17,821,017	9,987,693	1,306,075 (680,646)	10,613,121	7,207,896	20%
Foam mattresses	249,326	-	249,326	228,049	5,319	233,368	15,958	25%
Elevators	6,845,873	-	6,845,873	5,100,079	174,579	5,274,658	1,571,215	10%
Vehicles	4,247,662	4,306,437 (1,963,230)	6,590,869	2,803,437	687,986 (1,288,465)	2,202,958	4,387,911	20%
Library books	80,317	-	80,317	73,540	-	73,540	6,777	30%
2015	272,940,965	14,584,183	280,349,400	154,578,725	13,177,242	163,365,292	116,984,108	
		(7,175,748)			(4,390,676)			
2014	244,762,489	28,178,476	272,940,965	141,559,096	13,019,629	154,578,725	118,362,240	

8. **OTHER RECEIVABLES**

- Considered good

Chiniot Anjuman Islamia	6,346,969	14,724,436
Others	10,468,485	11,935,865
	<u>16,815,454</u>	<u>26,660,301</u>

9. **CASH AND BANK BALANCES**

Cash in hand	696,692	519,032
Cash at banks		
In current accounts	16,670,978	8,142,541
	<u>17,367,670</u>	<u>8,661,573</u>

10. **GENERAL**

Figures have been rounded off to the nearest Rupee.

11. **DATE OF AUTHORIZATION FOR ISSUE**

These financial statements were authorized for issue on _____ by the Managing Committee of the Chiniot Anjuman -e- Islamia Karachi.

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CHAIRMAN

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MEMBER FINANCE COMMITTEE

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MEDICAL DIRECTOR

Karachi.
 Date: 03 MAR 2016

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