



INDEPENDENT AUDITORS' REPORT TO THE BOARD OF TRUSTEES

Opinion

We have audited the annexed financial statements of **MAP WELFARE TRUST (the Trust)**, 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 and reserves, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying statement of financial position, the statement of income and expenditure, the statement of changes in funds and reserves and the statement of cash flows together with the notes forming part thereof conform with the Revised Accounting and Reporting Standards for Small-sized Entities (Revised AFRS for SSEs) issued by ICAP and Accounting Standards for Not for Profit Organization (NPOs) issued by the ICAP.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Trust in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Board of Trustees for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Revised Accounting and Reporting Standards for Small-sized Entities (Revised AFRS for SSEs) and Accounting Standards for Not for Profit Organization (NPOs) issued by the ICAP, 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 Trust'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 Trust or to cease operations, or has no realistic alternative but to do so.

The Board of Trustees is responsible for overseeing the Trust's financial reporting process.

Auditors' Responsibilities for the Audit of 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 auditors' report



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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 misstatements 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 controls.
- 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 Trust'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 Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Trust 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 Trustees 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.

Other matter

The financial statements for the year ended June 30, 2020 were audited by another firm of chartered accountants who vide their audit report dated January 25, 2021 have issued unmodified opinion on those financial statements.

**JANUARY 05, 2022
ISLAMABAD**


**CHARTERED ACCOUNTANTS
ENGAGEMENT PARTNER
M. MASOOD SHAHID – FCA**

MAP WELFARE TRUST
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2021

	Note	2021	2020
—Amount in rupees—			
FUNDS, RESERVES AND LIABILITIES			
Funds and reserves			
Unrestricted fund		22,800,150	24,854,963
Endowment fund		12,188,866	-
Revaluation surplus	5	24,381,926	-
		<u>59,370,942</u>	<u>24,854,963</u>
Non current liabilities			
Deferred grant	6	1,212,000	-
Deferred capital grant	7	10,210,282	9,093,800
		<u>12,122,282</u>	<u>9,093,800</u>
Current liabilities			
Creditors, accrued and other liabilities	8	1,305,571	67,434
Contingencies and commitments	9	-	-
		<u>72,798,795</u>	<u>34,016,197</u>
TOTAL FUNDS AND LIABILITIES			
ASSETS			
Non current assets			
Property and equipment	10	50,986,609	27,216,643
Long term deposits	11	-	10,000
		<u>50,986,609</u>	<u>27,226,643</u>
Current assets			
Stock in trade	12	1,183,746	48,934
Advances, prepayments and other receivables	13	1,186,228	838,091
Short term investments	14	15,320,556	3,680,227
Cash and bank balances	15	4,121,656	2,222,302
		<u>21,812,186</u>	<u>6,789,554</u>
		<u>72,798,795</u>	<u>34,016,197</u>
TOTAL ASSETS			

The annexed notes from 1 to 22 form an integral part of these financial statements.


CHAIRMAN


TRUSTEE

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MAP WELFARE TRUST
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2021

	2021			2020			
	Note	Restricted	Unrestricted	Total	Restricted	Unrestricted	Total
		Amount in rupees			Amount in rupees		
Income							
Income	16	-	19,744,520	19,744,520	-	11,450,135	11,450,135
Amortization of grants related to assets	7	1,266,885	-	1,266,885	-	-	-
Expenditure							
Administrative and general expenses	17	-	(21,782,576)	(21,782,576)	-	(13,133,776)	(13,133,776)
Depreciation on restricted assets	10.2	(1,266,885)	-	(1,266,885)	-	-	-
Finance cost	18	-	(16,757)	(16,757)	-	(15,355)	(15,355)
Deficit before taxation							
Taxation	19	-	(2,054,813)	(2,054,813)	-	(1,698,996)	(1,698,996)
Deficit for the year							
		-	(2,054,813)	(2,054,813)	-	(1,698,996)	(1,698,996)

The annexed notes from 1 to 22 form an integral part of these financial statements.


CHAIRMAN


TRUSTEE

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

Particulars	Note	Unrestricted fund	Endowment fund	Revaluation surplus	Total
Amount in rupees					
Balance as at July 01, 2019		26,553,959	-	-	26,553,959
Deficit for the year		(1,698,996)	-	-	(1,698,996)
Balance as at June 30, 2020		24,854,963	-	-	24,854,963
Balance as at July 01, 2020		24,854,963	-	-	24,854,963
Deficit for the year		(2,054,813)	-	-	(2,054,813)
Surplus on revaluation of land and office buildings	5	-	-	24,381,926	24,381,926
Contribution during the year	14.1	-	12,188,866	-	12,188,866
Balance as at June 30, 2021		22,800,150	12,188,866	24,381,926	59,370,942

The annexed notes from 1 to 22 form an integral part of these financial statements.


CHAIRMAN


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MAP WELFARE TRUST
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2021

	<u>2021</u>	<u>2020</u>
	Amount in rupees	
A) Cash flows from operating activities		
Deficit before taxation	(2,054,813)	(1,698,996)
Adjustment of non-cash/ non-operating items		15,355
Finance cost	18 16,757	1,033,793
Depreciation on unrestricted assets	10.1 2,331,684	-
Depreciation on restricted assets	10.2 1,266,885	(649,848)
Surplus/ (deficit) before working capital changes	<u>1,560,513</u>	<u> </u>
Changes in working capital		
Increase/ (decrease) in current liabilities		67,434
Creditors, accrued and other liabilities	1,238,137	
(Increase)/ decrease in current assets		1,877,467
Advances, prepayments and other receivables	(348,137)	31,214
Stock in trade	<u>(1,134,812)</u>	<u>1,976,115</u>
Cash generated from operations	<u>1,315,701</u>	<u>1,326,267</u>
Finance cost paid	<u>(16,757)</u>	<u>(15,355)</u>
Net cash generated from operating activities	<u>1,298,944</u>	<u>1,310,912</u>
B) Cash flows from investing activities		
Acquisition of property and equipment	10.1 (14,580,407)	(281,455)
Capital work in progress transferred	10.3 11,593,800	(11,593,800)
Deferred capital grant received	1,116,482	9,093,800
Long term deposits received	11 10,000	5,974,871
Short term investments in TDR	<u>(11,640,329)</u>	<u>(3,680,227)</u>
Net cash used in investing activities	<u>(13,500,454)</u>	<u>(486,811)</u>
C) Cash flows from financing activities		
Deferred grants received	6 1,912,000	-
Endowment fund contribution received	14.1 12,188,866	-
Net cash generated from financing activities	<u>14,100,866</u>	<u> </u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS		
Cash and cash equivalent at the beginning of the year	2,222,302	1,398,201
A) Cash flows from operating activities	1,298,944	1,310,912
B) Cash flows from investing activities	(13,500,454)	(486,811)
C) Cash flows from financing activities	14,100,866	-
Cash and cash equivalent at the end of the year	15 <u>4,121,656</u>	<u>2,222,302</u>

The annexed notes from 1 to 22 form an integral part of these financial statements.


CHAIRMAN


TRUSTEE

MAP WELFARE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

1 Legal status and operations

MAP Welfare Trust was established in Pakistan on June 06, 2003 under the Trust Act, 1882. Later on the trust was registered under the Societies Registration Act, XXI 1860 by the District Officer, Enterprise and Investment Promotion of Registrar, Joint Stock Companies, Lahore District on January 31, 2018. The trust is domiciled in Lahore. Main objects of MAP Welfare Trust includes establishment of educational and basic health care institutions for eradication of illiteracy and provision of subsidised health care facilities in accordance with islamic values for public at large who cannot afford it due to financial crisis.

1.1 Geographical location and address of business units

Head office/ Medical center Lahore - 1	Street # 01, Khayaban-e-Kareem, Metro Depot Road, 19 km Off Ferozpur Road, Lahore
Medical center Lahore - 2	Data Darbar Road, Data Gunj Buksh Town, Lahore
Medical center Gujranwala	Near PTCL Exchange, Nowshera Vikran Road, Dahariwal, Gujranwala
Medical center Peshawar	Behind Askari-6, Nasir Bagh Road, Khalida Abad, Peshawar

2 Grants received by the organization

2.1 Details of grants received and respective donors:

Grant details and purpose	Donor	Amount in Rupees
a) Building:	Mr. Abdul Hameed (Founder Trustee) and Mr. Khadim Hussain (Member of Core Committee)	9,093,800/-

Balance in deferred capital grant after
reevaluation and charging depreciation:

8,184,420/-

The building pertained to MAP Medical Centre Peshawar completed as on September 15, 2020. In the year ended June 30, 2020, it was presented as capital work in progress. Total costs incurred amounting to Rs. 11,593,800/- , in which Rs. 9,093,800/- is recorded in other funds as donation received from trustees. The trust had paid the remaining amount of Rs. 2,500,000/- from its operational funds.

b) Operating fixed assets:

Mr. Abdul Hameed (Founder Trustee) and Mr. Khadim Hussain (Member of Core Committee)	2,383,367/-
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Fixed assets purchased by donor himself and transferred to MAP on October 31, 2020. These includes the following fixed assets:

Balance in deferred capital grant:	Fixed assets provided	Carrying amount as on June 30, 2021 Amount in Rupees
Computer and printer	234,900/-	199,665/-
Power generator	500,000/-	425,000/-
Furniture and fixture	749,567/-	637,132/-
Electric equipment	428,900/-	364,565/-
Medical equipment	470,000/-	399,500/-
Total	2,383,367/-	2,025,862/-

These are presented at cost less accumulated depreciation in the statement of financial position.

Grant details and purpose	Donor	Amount in Rupees
c) Endowment fund:	Mr. Zafar Ullah Khan (Chairman MAP Welfare Trust) and Mr. Ghazanfar Baig (Chairman MAP Welfare Trust)	12,188,866/-

Funds received from trustees for investment in endowment fund, hence not included in general funds received for running operations.

Balance in endowment fund: 12,188,866/-

d) Funds received for medical laboratory: Mr. Tariq Javed (Member of Core Committee) **1,912,000/-**

A donor Mr. Tariq Javed donated above amount for establishment of laboratory under the name of 'Sheikh Abdul Hayee Medical Laboratory' at MAP Medical Center at Nishter, Lahore during the financial year 2021. Work on laboratory was started on July 17, 2021 and completed on August 15, 2021. Fund is kept separately from general funds. Following costs are incurred on the medical laboratory:

Medical equipment	1,445,000/-
Lab accessories	91,985/-
Electrical equipment	114,900/-
Room preparation (renovation and repair)	131,088/-
Computer and software	158,000/-
Total	1,940,973/-
Funds received from Mr. Tariq Javed	1,912,000/-
Shortfall	28,973/-

3 Summary of significant accounting policies

3.1 Statement of compliance

These financial statements have been prepared in accordance with the approved accounting and reporting standards, as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- Revised Accounting and Financial Reporting Standards for Small-Sized Entities (SSEs) issued by the Institute of Chartered Accountants of Pakistan (ICAP) and
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3.2 Basis of measurement

These financial statements have been prepared under the "historical cost" convention. Moreover, these financial statements have been prepared, except for cash flows information on accrual basis. The accrual basis of accounting recognizes the effect of transactions and events in the period in which the transactions and events occur, regardless of whether there has been a receipt or payment of cash or is equivalent.

3.3 Functional and presentation currency

These financial statements are presented in Pak Rupees, which is the Organization's functional currency. All monetary assets and liabilities denominated in foreign currencies are translated into Pak Rupees at the rates of exchange prevailing at the statement of financial position date, while the transactions in foreign currency during the year are initially recorded in functional currency at the rates of exchange prevailing at the transaction date. All non-monetary items are translated into Pak Rupees at exchange rates prevailing on the date of transaction or on the date when fair values are determined. Exchange gains and losses are recorded in the statement of income and expenditure.

4 Significant accounting policies

The significant accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

4.1 Taxation

Income of non profit organization is allowed a tax credit equal to one hundred percent of the tax payable under section 100C of the Income Tax Ordinance, 2001. The trust has been approved as a Non Profit Organization under section 2 (36) of the Income Tax Ordinance, 2001, till June 30, 2021. Accordingly, no provision for taxation has been made in these financial statements.

4.2 Property and equipment

4.2.1 Initial recognition

a. Operating fixed assets

An item of property and equipment is initially recognized at cost.

The assets which are available for intended use are capitalized as operating fixed assets. While assets under construction are capitalized to capital work in progress.

b. Capital work in progress

Capital work in progress is stated at cost less accumulated impairment losses, if any. All expenditure in connection with specific assets incurred during construction/ installation period are carried to capital work in progress. These expenditures are transferred to operating fixed assets as and when these are available for intended use.

4.2.2 Measurement subsequent to initial recognition

a. Carried using revaluation model

The revaluation surplus is added in the carrying amount of the asset and credited to the asset revaluation surplus in equity. An annual transfer from the asset revaluation surplus to general fund is made for the difference between depreciation based on the revaluation of carrying amount of the asset and the depreciation based on asset's original cost. Additionally, accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation surplus relating to the particular asset being sold is transferred to statement of income and expenditure.

Following classes of operating fixed assets are subsequently measured under revaluation model (i.e fair value at the date of revaluation less any subsequent accumulated depreciation and any subsequent impairment losses).

- Land
- Office buildings

Fair value is determined by external professional valuers with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the statement of financial position date.

b. Carried using cost model

Fixed assets other than those mentioned above are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

4.2.3 Useful life of operating property and equipment

Management of the Organization determines the estimated useful lives of its operating fixed assets for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and the future depreciation charge would be adjusted where management believes that the useful lives differ from previous estimates.

Operating fixed assets are assessed for impairment based on assessment of cash flows on individual cash-generating units when there is indication of impairment. Cash flows are determined based on contractual agreements and estimations over the useful life of the assets and discounted using a range of discounting rates representing the rate of return on such cash-generating units.

4.2.4 Depreciation

Depreciation on all property and equipment is charged to statement of income and expenditure on the reducing balance method so as to write off the historical cost of an asset over its estimated useful life at the rates given in note 10. Depreciation on additions is charged from for the month in which the asset is put to use and on disposals up to the month of disposal. The assets residual values and useful lives are reviewed and adjusted, if appropriate, at each statement of financial position date.

4.2.5 Maintenance and normal repairs

Maintenance and normal repairs are charged to income as and when incurred. Major renewals and improvements are capitalised and the assets so replaced, if any, are retired. Gains and losses on disposal of assets are included in income.

4.3 Impairment

4.3.1 Financial assets

A financial asset is assessed at each statement of financial position date, to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired, if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of the asset.

4.3.2 Non-financial assets

The carrying values of non-financial assets are assessed at each statement of financial position date, to determine whether there is any indication of impairment. If any such indication exists, then the recoverable amount of the non-financial asset is estimated. Any impairment loss is recognised as an expense in the income and expenditure account, for the amount by which the non-financial asset's carrying value exceeds its recoverable amount.

4.4 Restricted funds

Amounts represents funds that is subject to restrictions and can be utilized only for the specific objects of the trust. Restricted funds are recognized as deferred contribution (liability) and recognized as income to the extent of relevant expenses incurred during the year. Unspent portion of such grants are reflected as restricted grants in the statement of financial position.

4.4.1 Deferred grants

Grants of non-capital nature are recognized as deferred grant at the time of their receipt. Subsequently, these are recognized in statement of income and expenditure to the extent of expenditure incurred. Expenditure incurred against grants, against which grant funds have been committed but not received, is recognized in statement of income and expenditure and reflected as a receivable from donors.

4.4.2 Deferred capital grants

Grants utilized for capital expenditure are transferred to deferred capital grant at fair value which is cost at the time of purchase and amortized as income over the useful life of the respective items of operating fixed assets.

4.5 Unrestricted funds

Amount represents unrestricted funds that is not subject to any restriction, normally used to fund operations of the entity. Unrestricted funds are recognized on receipts basis directly in the income and expenditure account, except for the subscription fee, received at the start of the project, which is recognized over the projects life to which it pertains, subscription received during the execution of the project, such amount is recognized over the remaining life of the project to which it pertains.

4.5.1 Income recognition

Donations and income from healthcare center received from trustees and philanthropists are the main source of income of the trust. Such incomes are recognized as and when received by the trust. All items of income and expenditure relating to the trust are incorporated in these financial statements.

4.5.2 Income from general donations

Income from general donation is recognized on receipt basis.

4.5.3 Interest income

The net investment income from term deposit policies, that is not externally restricted, is recognized in the statement of income and expenditure in the general fund using the Effective Interest Rate method.

4.5.4 Miscellaneous income

Generally rental and other incomes are recognized on receipt basis in the statement of income and expenditure.

4.6 Endowment fund

Endowment fund represents contribution which are subject to internal restrictions, specifying that resources contributed be maintained permanently. Trustees contribute in endowment fund, which are recognized as direct increase in net funds in the current period.

4.7 Creditors, accrued and other liabilities

Creditors, accrued and other liabilities are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the trust. These are classified as current liabilities if payment is due within one year or less or in the normal operating cycle of the business, if longer. If not, they are presented as non-current liabilities.

4.8 Advances, prepayments and other receivables

These are stated at cost less provision for doubtful balances, if any. These are recognized at cost, which is the fair value of the consideration given. However, an assessment is made at each reporting date to determine whether there is an indication that a financial asset or a group of financial assets may be impaired. If such an indication exists, the estimated recoverable amount of that asset is determined and an impairment loss is recognized for the difference between the recoverable amount and the carrying value.

4.9 Cash and cash equivalents

Cash and cash equivalents comprise of cash and bank balances. Cash and cash equivalents are carried in the statement of financial position at cost.

4.10 Provisions

Provisions are recognized when the trust has a present, legal or constructive obligation as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of such obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money, and the risks specific to the liability.

4.11 Estimates and judgments

Preparation of financial statements in conformity with approved accounting standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that effect the application of policies and reported amount of assets, 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 consequences of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily identifiable from other resources. Thus actual results may differ from these estimates. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are revised if it effects that period only or in the period of revision and future periods if the revision effects both the current and future periods.

4.12 Mark-up, interest, profit and other charges

Interest and other charges on long term liabilities are capitalized up to the date of commencement of commercial operations. All other mark-up, interest, profit and other charges are charged to statement of income and expenditure as and when incurred.

4.13 Off setting of financial assets and financial liabilities

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

4.14 Stock in trade

Inventories are stated at the lower of cost, calculated on weighted average cost method, and net realizable value. Costs comprise purchase cost and where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realizable value represents the estimated selling price less all estimated costs to be incurred in selling. Provision is made for obsolete and slow moving stock-in-trade based on management's best estimate and is recognized in the statement of income and expenditure.

4.15 Financial instruments

Financial assets and liabilities are recognized when the trust becomes a party to the contractual provisions of instrument. Initial recognition is made at fair value plus transaction costs directly attributable to acquisition, except for financial instruments at fair value through profit or loss which are initially measured at fair value.

Financial assets are de-recognized when the trust loses control of the contractual rights that comprise the financial asset. The trust loses such control if it realizes the rights to benefits specified in contract, the rights expire or the trust surrenders those rights. Financial liabilities are de-recognized when the obligation specified in the contract is discharged, cancelled or expired. Any gain or loss on subsequent measurement (except available for sale investments) and de-recognition is charged to the statement of comprehensive income currently. The particular measurement methods adopted are disclosed in the individual policy statements associated with each item.

4.16 Contingencies

Contingent liability is disclosed when there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the trust or there is present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

4.17 Transaction with related parties

All transactions involving related parties arising in the normal course of business are conducted at arm's length at normal commercial rates on the same terms and conditions as third party transactions, unless stated otherwise.



	Note	2021 -----Amount in rupees-----	2020
5 Revaluation surplus			
Land	5.1	15,223,244	-
Office buildings	5.2	9,158,682	-
		<u>24,381,926</u>	<u>-</u>
5.1 Land			
Carrying value of land before revaluation		7,176,756	-
Revaluation surplus (balancing)		15,223,244	-
Revalued amount	5.2.1	<u>22,400,000</u>	<u>-</u>
5.2 Office buildings			
Carrying value as on July 01,		6,987,408	-
Transferred from capital work in progress	10.3	11,593,800	-
		<u>18,581,208</u>	<u>-</u>
Depreciation for the year		(1,664,890)	-
Carrying value as on June 30,		16,916,318	-
Revaluation surplus on buildings (balancing)		9,158,682	-
Fair value as on June 30, 2021	5.2.1	<u>26,075,000</u>	<u>-</u>
5.2.1			
Fair value is determined by external professional valuers (Star Tech Consultants, Lahore) with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the statement of financial position date.			
6 Deferred grant			
Balance as on July 01,		-	-
Funds received for medical laboratory		1,912,000	-
Balance as on June 30,		<u>1,912,000</u>	<u>-</u>
7 Deferred capital grant			
Balance as on July 01,		9,093,800	-
Addition during the period	7.1	2,383,367	9,093,800
Amortization of deferred capital grant		(1,266,885)	-
Balance as on June 30,		<u>10,210,282</u>	<u>9,093,800</u>
7.1 Addition during the period			
Building	7.1.1	-	9,093,800
Fixed assets	7.1.2	2,383,367	-
		<u>2,383,367</u>	<u>9,093,800</u>

7.1.1 This represents building related to MAP Medical Centre Peshawar completed as on September 15, 2020. In the year ended June 30, 2020, it was presented as capital work in progress. Total costs incurred amounting to Rs. 11,593,800/- , in which Rs. 9,093,800/- is recorded in other funds as donation received from trustees. The trust had paid the remaining amount of Rs. 2,500,000/- from it's operational funds.

7.1.2 This includes cost of fixed assets in relation to the building of MAP Medical Centre Peshawar, received as donation from trustees.

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	Note	2021 -----Amount in rupees-----	2020
8 Creditors, accrued and other liabilities			
Salaries payable		1,125,612	-
Withholding tax payable		40,765	8,864
Payable to creditors		52,194	58,570
Audit fee payable		87,000	-
		<u>1,305,571</u>	<u>67,434</u>
9 Contingencies and commitments			
9.1 Contingencies			
There are no contingencies as on June 30, 2021 (2020: Nil)			
9.2 Commitments			
The trust has obtained funds amounting Rs. 1,912,000/- from Mr. Tariq Javed (trustee) for establishment of medical laboratory under the name of "Sheikh Abdul Hayee Medical Laboratory" at MAP Medical Centre Nishter, Lahore during the financial year 2021. The trust has commitment to establish the medical laboratory, therefore, the fund is kept separately from general funds. (2020: Nil)			
10 Property and equipment			
Operating fixed assets			
-Unrestricted assets	10.1	40,776,327	15,622,843
-Restricted assets	10.2	10,210,282	-
		<u>50,986,609</u>	<u>15,622,843</u>
Capital work in progress	10.3	-	11,593,800
		<u>50,986,609</u>	<u>27,216,643</u>

10.1 Operating fixed assets - Unrestricted assets

PARTICULARS	C O S T				D E P R E C I A T I O N				TRANSFER TO RESTRICTED ASSETS	W. D. V. AS AT 30-06-2021	R A T E %
	TOTAL AS AT 01-07-2020	ADDITIONS	REVALUATION SURPLUS	TOTAL AS AT 30-06-2021	ACCUMULATED AS AT 01-07-2020	FOR THE YEAR	DISPOSAL / ADJUSTMENTS	ACCUMULATED AS AT 30-06-2021			
-----Amount in rupees-----											
Land	7,176,756	-	15,223,244	22,400,000	-	-	-	-	-	22,400,000	-
Building	19,781,495	11,593,800	9,158,682	40,533,977	12,794,087	1,664,890	-	14,458,977	9,093,800	16,981,200	10
Furniture and fixtures	1,257,375	821,967	-	2,079,342	898,938	177,061	-	1,075,999	749,567	253,776	15
Electrical and accessories	1,065,903	788,390	-	1,854,293	733,572	232,310	-	965,882	428,900	459,511	15
Medical Equipments	1,559,827	530,000	-	2,089,827	1,113,582	152,137	-	1,265,719	470,000	354,108	15
Other equipment	167,010	515,300	-	682,310	116,739	20,634	-	137,373	500,000	44,937	15
Computers & accessories	442,095	330,950	-	773,045	170,698	84,652	-	255,350	234,900	282,795	15
RUPEES 2021	31,450,461	14,580,407	24,381,926	70,412,794	15,827,616	2,331,684	-	18,159,300	11,477,167	40,776,327	-
RUPEES 2020	31,169,006	281,455	-	31,450,461	14,793,826	1,033,793	-	15,827,616	-	15,622,843	-

		2021	2020
	Note	-----Amount in rupees-----	
15 Cash and bank balances			
Cash in hand		272,850	442,928
Cash at banks			
-Current accounts		<u>3,848,806</u>	<u>1,779,374</u>
		<u><u>4,121,656</u></u>	<u><u>2,222,302</u></u>
16 Income			
Donations	16.1	14,075,848	7,736,851
Outpatients		5,203,423	3,088,757
Laboratory income		43,935	-
Other income	16.2	<u>421,314</u>	<u>624,527</u>
		<u><u>19,744,520</u></u>	<u><u>11,450,135</u></u>
16.1 Donations			
Donations from trustees		10,138,114	7,623,097
Local donations		<u>3,937,734</u>	<u>113,754</u>
		<u><u>14,075,848</u></u>	<u><u>7,736,851</u></u>
16.2 Other income			
Profit on term deposit policies		340,966	519,731
Rental income		60,000	55,000
Miscellaneous income		<u>26,348</u>	<u>49,796</u>
		<u><u>421,314</u></u>	<u><u>624,527</u></u>
17 Expenditure			
Salary and other benefits	17.1	12,656,508	8,154,027
Medicines and allied items consumed	17.2	3,028,444	993,832
Repairs and maintenance		735,621	738,500
Utility charges		452,303	524,129
Medical items consumed		320,394	307,033
Laboratory expenses		-	43,402
Legal and professional charges		338,267	9,284
Disposal costs of waste material		295,975	229,800
Printing and stationery		225,532	134,732
Traveling and conveyance		251,642	31,107
Vehicle running and maintenance		198,270	277,144
Postage and telecommunications		140,190	130,251
Fuel for generator		133,581	52,960
Advertisement		-	14,300
Entertainment expenses		150,308	74,208
Software maintenance charges		100,600	209,167
Insurance expenses		-	16,500
Free of cost treatment expenses		109,356	29,450
Rent, rate and taxes		93,560	75,387

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		2021	2020
	Note	-----Amount in rupees-----	
Depreciation	10.1	2,331,684	1,033,793
Audit fee		87,000	40,000
Miscellaneous expenses		133,341	14,770
		<u>21,782,576</u>	<u>13,133,776</u>

17.1 This includes all the salaries, allowances and other benefits of medical staff.

17.2 No salary, remuneration or other benefits are being paid to trustees.

17.3 Medicines and allied items consumed

Opening stock	993,832	80,148
Purchases	3,218,358	962,618
Closing stock	(1,183,746)	(48,934)
	<u>3,028,444</u>	<u>993,832</u>

18 Finance cost

Bank charges	16,757	15,355
	<u>16,757</u>	<u>15,355</u>

19 Taxation

- Income of non profit organization is allowed a tax credit equal to one hundred percent of the tax payable under section 100C of the Income Tax Ordinance, 2001. The trust is Non Profit Organization under section 2 (36) of the Income Tax Ordinance, 2001. Accordingly, no provision for taxation has been made in these financial statements.

20 Financial instruments

	Fair value through profit or loss		Amortized cost		Total	
	2021	2020	2021	2020	2021	2020
	-----Amount in rupees-----					
Financial assets						
Long term deposits	-	-	-	10,000	-	10,000
Advances, prepayments and other receivables	-	-	1,186,228	838,091	1,186,228	838,091
Short term investments	-	-	15,320,556	3,680,227	15,320,556	3,680,227
Cash and bank balances	-	-	4,121,656	2,222,302	4,121,656	2,222,302
Financial liabilities						
Creditors, accrued and other liabilities	-	-	1,305,571	67,434	1,305,571	67,434

21 Related party transactions

The related parties comprises of the board of trustees. The trust in the normal course of business, carried out transactions with related parties, unless stated otherwise. Significant transactions with related parties during the year, other than those which have been disclosed elsewhere in these financial statements, are as follows:.

21.1 Transactions with related parties

Name/ relationship with the trust	Nature of transactions	Note	2021	2020
			-----Amount in rupees-----	
Mr. Abdul Hameed (Founder trustee) and Mr. Khadim Hussain (Member of core committee)	Construction of Peshawar building	7	-	9,093,800
Mr. Abdul Hameed (Founder trustee) and Mr. Khadim Hussain (Member of core committee)	Fixed assets purchased for Peshawar building	7	2,383,367	-
Mr. Tariq Javed (Member of core committee)	Donation received for establishment of medical laboratory	6	1,912,000	-
Mr. Zafar Ullah Khan (Chairman MAP Welfare Trust)	Amount received for endowment fund		11,363,280	-
Mr. Ghazanfar Baig (Chairman MAP Welfare Trust)	Amount received for endowment fund		1,000,000	-

21.2 Balances with related parties

Name/ relationship with the trust	Nature of balances	Note	2021	2020
			-----Amount in rupees-----	
Mr. Abdul Hameed (Founder trustee) and Mr. Khadim Hussain (Member of core committee)	Deferred capital grant	10.2	8,184,420	9,093,800
Mr. Abdul Hameed (Founder trustee) and Mr. Khadim Hussain (Member of core committee)	Deferred capital grant	10.2	2,025,862	-
Mr. Tariq Javed (Member of core committee)	Deferred grant	6	1,912,000	-
Mr. Zafar Ullah Khan (Chairman MAP Welfare Trust)	Endowment fund		11,363,280	-
Mr. Ghazanfar Baig (Chairman MAP Welfare Trust)	Endowment fund		1,000,000	-

22 General

22.1 Figures have been rounded off to the nearest rupee.

22.2 Figures have been reclassified wherever necessary, however, no material reclassification have been made during the year.



CHAIRMAN



TRUSTEE