



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BOARD OF TRUSTEES

Opinion

We have audited the financial statements of "MAP WELFARE TRUST (the Entity)", which comprise the statement of financial position as at June 30, 2022, and statement of income and expenditure, statement of changes in funds and statement of cash flows for the period then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at **June 30, 2022**, and its financial performance and its cash flows for the period then ended in accordance with Revised Accounting and Financial Reporting Standards for the Small Sized Entities (Revised AFRS for SSEs) and Approved Accounting and Reporting Standards as applicable in Pakistan for non-government organization (NGOs) / non-profit organization (NPOs) issued by the Institute of Chartered Accountants of Pakistan (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 Financial Statements section of our report. We are independent of the Entity 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 that we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 1.2 to the financial statements which describes that Board of Trustees of the Entity has decided to take over the net assets of MAP Welfare Trust, Karachi. Our opinion is not qualified in respect of this matter.

Responsibilities of Management and Board of Trustees for the Financial Statements

Management is responsible for preparation and fair presentation of these financial statements in accordance with Revised Accounting and Financial Reporting Standards for Small Sized Entities (Revised AFRS for SSEs) and Approved Accounting and Reporting Standards as applicable in Pakistan for non-government organization (NGOs) / non-profit organizations (NPOs) issued by the Institute of Chartered Accountants of Pakistan (ICAP) and, for such internal control as the 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 Entity's ability to continue as a going concern, disclosing, as applicable matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Board of Trustees is responsible for overseeing Entity's Financial Reporting Process.



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Auditor's Responsibilities for the Audit of the Financial Statements

The objectives of our audit 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 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 will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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 risk of material misstatement of 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 one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on effectiveness of the Entity's internal control.
- Evaluate the appropriateness of the 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 over the Entity'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 Entity 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 transaction and events in a manner that achieves fair presentation.

We communicate with 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.

ISLAMABAD
MARCH 14, 2023

UDIN # AR202210334GjCZnfesm

CHARTERED ACCOUNTANTS
ENGAGEMENT PARTNER
M. MASOOD SHAHID - FCA

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MAP WELFARE TRUST
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2022

	Note	2022	2021
		-----Amount in rupees-----	
FUNDS AND LIABILITIES			
Funds			
Unrestricted fund		62,065,482	22,800,150
Endowment fund		12,188,866	12,188,866
Revaluation surplus	5	23,466,058	24,381,926
		97,720,406	59,370,942
Non current liabilities			
Deferred grant	6	1,912,000	1,912,000
Deferred capital grant	7	9,087,960	10,210,282
		10,999,960	12,122,282
Current liabilities			
Creditors, accrued and other liabilities	8	522,229	1,305,571
Contingencies and commitments	9	-	-
TOTAL FUNDS AND LIABILITIES		109,242,595	72,798,795
ASSETS			
Non current assets			
Property and equipment	10	83,228,003	50,986,609
Intangible assets	11	173,550	-
		83,401,553	50,986,609
Current assets			
Stock in trade	12	879,797	1,183,746
Advances, prepayments and other receivables	13	3,902,306	1,186,228
Short term investments	14	13,646,564	15,320,556
Cash and bank balances	15	7,412,375	4,121,656
		25,841,042	21,812,186
TOTAL ASSETS		109,242,595	72,798,795

The annexed notes from 1 to 21 form an integral part of these accounts.


CHAIRMAN


TRUSTEE



MAP WELFARE TRUST
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2022

	Note	2022			2021		
		Restricted	Unrestricted	Total	Restricted	Unrestricted	Total
		-----Amount in rupees-----			-----Amount in rupees-----		
Income							
Income	16	-	40,697,518	40,697,518	-	19,744,520	19,744,520
Amortization of grants related to assets	7	1,122,322	-	1,122,322	1,266,885	-	1,266,885
		<u>1,122,322</u>	<u>40,697,518</u>	<u>41,819,840</u>	<u>1,266,885</u>	<u>19,744,520</u>	<u>21,011,405</u>
Expenditure							
Administrative and general expenses	17	-	(39,783,470)	(39,783,470)	-	(21,782,576)	(21,782,576)
Depreciation on restricted assets	10.2	(1,122,322)	-	(1,122,322)	(1,266,885)	-	(1,266,885)
Finance cost	18	-	(81,714)	(81,714)	-	(16,757)	(16,757)
		<u>(1,122,322)</u>	<u>(39,865,184)</u>	<u>(40,987,506)</u>	<u>(1,266,885)</u>	<u>(21,799,333)</u>	<u>(23,066,218)</u>
Surplus / (Deficit) before taxation		-	832,334	832,334	-	(2,054,813)	(2,054,813)
Taxation	4.1	-	-	-	-	-	-
Surplus / (Deficit) for the year		<u>-</u>	<u>832,334</u>	<u>832,334</u>	<u>-</u>	<u>(2,054,813)</u>	<u>(2,054,813)</u>

The annexed notes from 1 to 21 form an integral part of these accounts.


 CHAIRMAN


 TRUSTEE



MAP WELFARE TRUST
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2022

	Note	2022 -----Rupees-----	2021
A) Cash flows from operating activities			
Surplus / (Deficit) for the year		832,334	(2,054,813)
Adjustment of non-cash / non-operating activities			
Finance cost		81,714	16,757
Depreciation on unrestricted assets		2,659,504	2,331,684
Depreciation on restricted assets		1,122,322	1,266,885
Surplus before working capital changes		<u>4,695,874</u>	<u>1,560,513</u>
Changes in working capital			
Increase / (decrease) in current liabilities			
Creditors, accrued and other liabilities		(783,342)	1,238,137
(Increase) / decrease in current assets			
Advances, prepayments and other receivables		(2,716,078)	(348,137)
Stock in trade		303,949	(1,134,812)
		<u>(3,195,471)</u>	<u>(244,812)</u>
Cash generated from operations		<u>1,500,403</u>	<u>1,315,701</u>
Finance cost paid		(81,714)	(16,757)
Net cash generated from operating activities		<u>1,418,689</u>	<u>1,298,944</u>
B) Cash flows from investing activities			
Acquisition of property and equipment	10.1	(36,023,220)	(14,580,407)
Acquisition of intangible assets		(173,550)	-
Capital work in progress transferred	10.3	-	11,593,800
Deferred capital grant (amortized) / received		(1,122,322)	1,116,482
Long term deposits received		-	10,000
Short term investments matured / (invested)		1,673,992	(11,640,329)
Net cash used in investing activities		<u>(35,645,100)</u>	<u>(13,500,454)</u>
C) Cash flows from financing activities			
Funds transferred from another NPO	1.2	37,517,130	-
Deferred grant received	6	-	1,912,000
Endowment fund contribution received	14.1	-	12,188,866
Net cash generated from financing activities		<u>37,517,130</u>	<u>14,100,866</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS			
Cash and cash equivalent at the beginning of the year		4,121,656	2,222,302
A) Cash flows from operating activities		1,418,689	1,298,944
B) Cash flows from investing activities		(35,645,100)	(13,500,454)
C) Cash flows from financing activities		37,517,130	14,100,866
Cash and cash equivalent at the end of the year	15	<u>7,412,375</u>	<u>4,121,656</u>

The annexed notes from 1 to 21 form an integral part of these accounts.


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MAP WELFARE TRUST
STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

Particulars	Note	Unrestricted fund	Endowment fund	Revaluation surplus	Total
-----Amount in rupees-----					
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 building	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
Balance as at July 01, 2021		22,800,150	12,188,866	24,381,926	59,370,942
Surplus for the year		832,334	-	-	832,334
Transferred from another NPO	1.2	37,517,130	-	-	37,517,130
Transferred to unrestricted fund	5.3	915,868	-	(915,868)	-
Balance as at June 30, 2022		62,065,482	12,188,866	23,466,058	97,720,406

The annexed notes from 1 to 21 form an integral part of these accounts.


CHAIRMAN


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MAP WELFARE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

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	Street # 01, Khayaban-e-Kareem, Metro Depot Road, 19 km Off Ferozepur Road, Lahore
Medical center Lahore	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
Medical center Karachi	15/2, Sector 5/F, New Karachi opposite Makkah Masjid, Karachi

1.2 Merger with another NPO

MAP Welfare Trust Karachi, operating as an NPO, was merged with its related party MAP Welfare Trust Lahore with effect from 1st April, 2022. Trustees of both NPOs are the same and decided to merge MAP Welfare Trust Karachi into MAP Welfare Trust Lahore.

1.2.1 Net assets of MAP Welfare Trust Karachi transferred to MAP Welfare Trust Lahore

Class of assets	Amount
	--- Rupees ---
Property and equipment	
Land and building	22,161,168
Medical equipment	7,469,000
Electrical equipment	1,590,239
Furniture and fixtures	394,287
Power Generating system	2,322,000
Computers and other allied items	553,335
	<hr/>
Advances and other receivables	34,490,029
Cash and cash equivalent	20,000
Creditors and accrued liabilities	3,191,101
	(184,000)
Net assets transferred to MAP Welfare Trust	<hr/> <hr/> 37,517,130

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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 revaluation and charging depreciation 7,365,978/-

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, 2022
----- Amount in Rupees -----		
Computer and printer	234,900/-	169,715/-
Power generator	500,000/-	361,250/-
Furniture and fixture	749,567/-	541,562/-
Electric equipment	428,900/-	309,880/-
Medical equipment	470,000/-	339,575/-
Total	<u>2,383,367/-</u>	<u>1,721,982/-</u>

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

c) Endowment fund:	Mr. Zafar Ullah Khan (Chairman MAP Welfare Trust) and Mr. Ghazanfar Baig (Member of Executive Committee)	12,188,866/-
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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/-

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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
- Accounting Standards for Not for Profit Organisations (Accounting Standards for NPO's) issued by Institute of chartered accountants of Pakistan (ICAP).

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.

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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, 2024. 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

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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

These are the funds that are 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

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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.

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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.

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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.

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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

These are the funds that are 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

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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

These are the funds that are 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 when right to receive is established in the statement of income and expenditure.

4.6 Endowment fund

Endowment fund represents contributions 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

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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 bank balances

Cash and bank balances 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 income and expenditure. 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.

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	Note	2022	2021
		-----Amount in rupees-----	
5 Revaluation surplus			
Land	5.1	15,223,244	15,223,244
Office buildings	5.2	8,242,814	9,158,682
		<u>23,466,058</u>	<u>24,381,926</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>-</u>	<u>22,400,000</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
		-	18,581,208
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 value as on June 30,	5.2.1	<u>-</u>	<u>26,075,000</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.			
5.3			
Reduction in revaluation surplus of office building represents transfer of revaluation surplus of office building amounting to Rs. 915,868/- to unrestricted fund.			
6 Deferred grant			
Balance as on July 01,		1,912,000	-
Funds received for medical laboratory		-	1,912,000
Balance as on June 30,		<u>1,912,000</u>	<u>1,912,000</u>
7 Deferred capital grant			
Balance as on July 01,		10,210,282	9,093,800
Addition during the year	7.1	-	2,383,367
Amortization of deferred capital grant		(1,122,322)	(1,266,885)
Balance as on June 30,		<u>9,087,960</u>	<u>10,210,282</u>
7.1 Addition during the year			
Building	7.1.1	-	-
Fixed assets	7.1.2	-	2,383,367
		<u>-</u>	<u>2,383,367</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.			

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

	Note	2022	2021
-----Amount in rupees-----			
8	Creditors, accrued and other liabilities		
	Salaries payable	38,893	1,125,612
	Withholding tax payable	88,409	40,765
	Payable to creditors	118,927	52,194
	Audit fee payable	276,000	87,000
		<u>522,229</u>	<u>1,305,571</u>
9	Contingencies and commitments		
9.1	Contingencies		
	There are no contingencies as on June 30, 2022 (2021: Nil)		
9.2	Commitments		
	The trust has obtained funds amounting Rs. 1,912,000/- from Mr. Tariq Javed (member of core committee) for establishment of medical laboratory under the name of "Sheikh Abdul Hayee Medical Laboratory" at MAP Medical Centre Nishtar, Lahore during the financial year 2021. The trust has commitment to establish the medical laboratory, therefore, the fund is kept separately from general funds. (2021: 1,912,000)		
10	Property and equipment		
	Operating fixed assets		
	-Unrestricted assets	10.1 74,140,043	40,776,327
	-Restricted assets	10.2 9,087,960	10,210,282
		<u>83,228,003</u>	<u>50,986,609</u>

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10.1 Operating fixed assets - Unrestricted assets

Particulars	Freehold Land	Building	Furniture and fixtures	Electrical and accessories	Medical equipment	Other equipment	Computer and accessories	Total
Cost								
As at June 30, 2020	7,176,756	19,781,495	1,257,375	1,065,903	1,559,827	167,010	442,095	31,450,461
Additions during the year June 30, 2021	-	11,593,800	821,967	788,390	530,000	515,300	330,950	14,580,407
Revaluation surplus during the year	15,223,244	9,158,682	-	-	-	-	-	24,381,926
Transferred to restricted assets	-	(9,093,800)	(749,567)	(428,900)	(470,000)	(500,000)	(234,900)	(11,477,167)
As at June 30, 2021	22,400,000	31,440,177	1,329,775	1,425,393	1,619,827	182,310	538,145	58,935,627
Additions during the year	-	-	56,610	257,951	893,975	39,500	285,155	1,533,191
Transferred from another NPO	17,800,000	4,361,168	394,287	3,912,239	7,469,000	-	553,335	34,490,029
As at June 30, 2022	40,200,000	35,801,345	1,780,672	5,595,583	9,982,802	221,810	1,376,635	94,958,847
Accumulated depreciation								
As at June 30, 2020	-	12,794,087	898,938	733,572	1,113,582	116,739	170,698	15,827,616
Depreciation for the year ended June 30, 2021	-	1,664,890	177,061	232,310	152,137	20,634	84,652	2,331,684
As at June 30, 2021	-	14,458,977	1,075,999	965,882	1,265,719	137,373	255,350	18,159,300
Depreciation for the year	-	1,807,149	59,182	239,496	455,996	8,222	89,459	2,659,504
As at June 30, 2022	-	16,266,126	1,135,181	1,205,378	1,721,715	145,595	344,809	20,818,804
Written down value as at June 30, 2021	22,400,000	16,981,200	253,776	459,511	354,108	44,937	282,795	40,776,327
Written down value as at June 30, 2022	40,200,000	19,535,219	645,491	4,390,205	8,261,087	76,215	1,031,826	74,140,043
Depreciation rate	-	10%	15%	15%	15%	15%	15%	

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10.2 Operating fixed assets - Restricted assets

Particulars	Freehold Land	Building	Furniture and fixtures	Electrical and accessories	Medical equipment	Other equipment	Computer and accessories	Total
Cost								
As at June 30, 2020	-	-	-	-	-	-	-	-
Additions during the year June 30, 2021	-	-	-	-	-	-	-	-
Transferred from unrestricted assets	-	9,093,800	749,567	428,900	470,000	500,000	234,900	11,477,167
As at June 30, 2021	-	9,093,800	749,567	428,900	470,000	500,000	234,900	11,477,167
Additions during the year	-	-	-	-	-	-	-	-
As at June 30, 2022	-	9,093,800	749,567	428,900	470,000	500,000	234,900	11,477,167
Accumulated depreciation								
As at June 30, 2020	-	-	-	-	-	-	-	-
Amortization for the year ended June 30, 2021	-	909,380	112,435	64,335	70,500	75,000	35,235	1,266,885
As at June 30, 2021	-	909,380	112,435	64,335	70,500	75,000	35,235	1,266,885
Amortization for the year	-	818,442	95,570	54,685	59,925	63,750	29,950	1,122,322
As at June 30, 2022	-	1,727,822	208,005	119,020	130,425	138,750	65,185	2,389,207
Written down value as at June 30, 2021	-	8,184,420	637,132	364,565	399,500	425,000	199,665	10,210,282
Written down value as at June 30, 2022	-	7,365,978	541,562	309,880	339,575	361,250	169,715	9,087,960
Amortization rate	-	10%	15%	15%	15%	15%	15%	

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	Note	2022	2021
		-----Amount in rupees-----	
10.3 Capital work in progress			
Balance as on July 01,		-	11,593,800
Additions during the year		-	-
Transfers during the year		-	(11,593,800)
Balance as on June 30,		<u>-</u>	<u>-</u>
11 Intangible assets			
Unrestricted assets	11.1	<u>173,550</u>	<u>-</u>
		<u>173,550</u>	<u>-</u>
11.1 These assets have indefinite useful life, therefore are carried at cost less impairment, if any.			
12 Stock in trade			
Medicines and allied items		<u>879,797</u>	<u>1,183,746</u>
		<u>879,797</u>	<u>1,183,746</u>
13 Advances, prepayments and other receivables			
Advance to staff against expenses		364,743	202,875
Advance to staff against salary		607,689	359,453
Advances to suppliers		2,312,121	198,192
Advance tax		558,061	425,708
Other receivables		59,692	-
		<u>3,902,306</u>	<u>1,186,228</u>
14 Short-term investments			
Balance as on July 01,		15,320,556	3,680,227
Additional investments made during the year	14.1	-	12,188,866
Investment matured during the year		(17,370,556)	(548,537)
Amount reinvested		15,696,564	-
Balance as on June 30,		<u>13,646,564</u>	<u>15,320,556</u>
14.1 This represents funds received from trustees for investment in endowment fund, hence not included in general funds received for running operations. The funds are invested in term deposit receipts (TDR).			
15 Cash and bank balances			
Cash in hand		3,184,721	272,850
Cash at banks			
-Current accounts		<u>4,227,654</u>	<u>3,848,806</u>
		<u>7,412,375</u>	<u>4,121,656</u>
	Note	2022	2021
		-----Amount in rupees-----	
16 Income			
Donations	16.1	31,057,573	14,075,848
Outpatients		8,599,673	5,203,423
Laboratory income		17,580	43,935

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	Note	2022	2021
		-----Amount in rupees-----	
Other income	16.2	<u>1,022,692</u>	<u>421,314</u>
		<u>40,697,518</u>	<u>19,744,520</u>
16.1 Donations			
Donations from trustees		19,191,039	10,138,114
Local donations		<u>11,866,534</u>	<u>3,937,734</u>
		<u>31,057,573</u>	<u>14,075,848</u>
16.2 Other income			
Profit on term deposit receipts		933,158	340,966
Rental income		51,000	60,000
Miscellaneous income		<u>38,534</u>	<u>20,348</u>
		<u>1,022,692</u>	<u>421,314</u>
17 Administrative and general expenses			
Salary and other benefits	17.1	18,160,023	12,656,508
Medicines and allied items consumed	17.3	4,840,288	3,028,444
Repairs and maintenance		5,363,788	735,621
Utility charges		848,775	452,303
Medical items consumed		1,813,168	320,394
Laboratory expenses		291,040	-
Legal and professional charges		1,513,621	338,267
Disposal costs of waste material		301,645	295,975
Printing and stationery		377,342	225,532
Travelling and conveyance		1,240,561	251,642
Vehicle running and maintenance		92,520	198,270
Postage and telecommunications		197,489	140,190
Fuel for generator		416,292	133,581
Entertainment expenses		326,080	150,308
Software maintenance charges		176,425	100,600
Free of cost treatment expenses		20,715	109,356
Rent, rates and taxes		395,240	93,560
Depreciation	10.1	2,659,504	2,331,684
Audit fee		92,000	87,000
Miscellaneous		<u>656,954</u>	<u>133,341</u>
		<u>39,783,470</u>	<u>21,782,576</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		1,183,746	993,832
Purchases		4,536,339	3,218,358
Closing stock	12	<u>(879,797)</u>	<u>(1,183,746)</u>
		<u>4,840,288</u>	<u>3,028,444</u>

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	Note	2022	2021
-----Amount in rupees-----			
18 Finance cost			
Bank charges		<u>81,714</u>	<u>15,355</u>
		<u>81,714</u>	<u>15,355</u>

19 Financial instruments

	Fair value through profit or loss		Amortized cost		Total	
	2022	2021	2022	2021	2022	2021
-----Amount in rupees-----						
Financial assets						
Advances, prepayments and other receivables	-	-	3,902,306	1,186,228	3,902,306	1,186,228
Short term investments	-	-	13,646,564	15,320,556	13,646,564	15,320,556
Cash and bank balances	-	-	7,412,375	4,121,656	7,412,375	4,121,656
Financial liabilities						
Creditors accrued and other liabilities	-	-	522,229	1,305,571	522,229	1,305,571

20 Related party transactions

The related parties comprise 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:.

20.1 Transactions with related parties

Name/ relationship	Nature of transactions	Note	2022	2021
			-----Amount in rupees-----	
Mr. Abdul Hameed (Founder Trustee) and Mr. Khadim Hussain (Member of Core Committee)	Fixed assets purchased for Peshawar building	10.2	-	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. Zafar Ullah Khan (Chairman MAP Welfare Trust)	Amount received as a donation		18,150,700	-
Mr. Mahmood Aziz (Member of Core Committee)	Amount received as a donation		400,000	-

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	Note	2022 -----Amount in rupees-----	2021
Mr. Anjad Pervais Saddique (Member of Executive Committee)		3,430,000	-
Mr. Shamshad Ali Saddique (Trustee)		1,600,000	-
Mr. Ghazanfar Baig (Member of Executive Committee)		-	1,000,000

20.2 Balances with related parties

Name/ relationship with the trust	Nature of balances	Note	2022 -----Amount in rupees-----	2021
Mr. Abdul Hameed (Founder Trustee) and Mr. Khadim Hussain (Member of Core Committee)	Deferred capital grant	10.2	7,365,978	8,184,420
Mr. Abdul Hameed (Founder Trustee) and Mr. Khadim Hussain (Member of Core Committee)	Deferred capital grant	10.2	1,721,982	2,025,862
Mr. Tariq Javed (Member of Core Committee)	Deferred grant	6	1,912,000	1,912,000
Mr. Zafar Ullah Khan (Chairman MAP Welfare Trust)	Endowment fund		11,363,280	11,363,280
Mr. Ghazanfar Baig (Member of Executive Committee)	Endowment fund		1,000,000	1,000,000

21 General

21.1 Figures have been rounded off to the nearest rupee.

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


CHAIRMAN


TRUSTEE

