



# HASSAN FAROOQ & COMPANY

Chartered Accountants

## AUDITORS' REPORT TO THE TRUSTEES

We have audited the annexed balance sheet and receipts and expenditures account of the **MIAN MUHAMMAD BUKHSH TRUST** as at June 30, 2013 together with the notes forming part thereof (here-in-after referred to as the statements for the year then ended).

It is the responsibility of the trustees to establish and maintain a system of internal control, and prepare and present the statement in conformity with the basis as described in Note 2.1 to the accounts. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the 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 statements. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 2.1, the statements have been prepared on the receipts basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion the statements present fairly, in all material respects, the receipts and expenditures, of the **MIAN MUHAMMAD BUKHSH TRUST** for the year ended June 30, 2013 on the basis of accounting described in Note 2.1 to the accounts.

**HASSAN FAROOQ AND COMPANY**  
(Chartered Accountants)

**ENGAGEMENT PARTNER:** Farooq Hamid

**Lahore: October 09, 2013**

**MIAN MUHAMMAD BUKHSH TRUST  
RECEIPT AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED JUNE 30, 2013**

Note	<u>2013 Rupees</u>	<u>2012 Rupees</u>
<b>RECEIPTS</b>		
Fee Received	168,321	35,155
Donations	2,261,751	5,352,105
	<b>2,430,072</b>	<b>5,387,260</b>
<b>EXPENDITURES</b>		
Donations	10,000	46,500
Salaries	569,993	962,413
Medicines and medical instrument	574,984	26,246
Travelling	96,000	158,840
Advertisement	1,003,135	189,184
Utilities	-	42,370
Legal and Professional Charges	-	267,377
Printing and stationery	856,246	303,982
Bank charges	2,452	2,724
Hospital supplies	-	40,310
Rent, rate and taxes	-	66,252
Courier charges	133,078	-
Depreciation	15,995	8,991
Auditor's remuneration	25,000	25,000
Miscellaneous expenses	31,650	107,758
	<b>(3,318,533)</b>	<b>(2,247,947)</b>
<b>(Short)/Excess of receipts over expenditures during the year</b>	<b>(888,461)</b>	<b>3,139,313</b>
<b>Excess of receipts over expenditures brought forward</b>	<b>15,662,351</b>	<b>12,523,038</b>
<b>Excess of receipts over expenditures carried forward</b>	<b>14,773,890</b>	<b>15,662,351</b>

The annexed note 1 to 6 form an integral part of these financial statements.

  
Chairman Trustee

  
Secretary Trustee

**MIAN MUHAMMAD BUKHSH TRUST**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED JUNE 30, 2013**

**1 THE TRUST AND ITS OPERATIONS**

The Trust was formed on November 3 ,2006 as Mian Muhammad Bukhsh Trust under the seal of Registrar joint stock The registered office of the Trust is located at Suite 3-4, Khawaja Market, Shandar Chowk, Jhelum, Pakistan. companies, Jhelum. It commenced its operations in July 2007. The trust is engaged in providing free medical facilities to deserving rural population of Jhelum river basin.

**2 SIGNIFICANT ACCOUNTING POLICIES**

**2.1 Basis of preparation**

These financial statements have been prepared on receipts basis.

**2.2 Income**

Income is recognized as follows:

**a) Donations**

Donations are recognized as income when these are received from the donors.

**b) Fee Received**

These incomes are recognized when received from the patients. This relates to admission fee amounting to Rupees 20/- per person who can afford to pay only.

**2.3 Expenditures**

Expenditures are recognized when these are paid. No accrual is booked for expenses.

**2.4 Fixed Assets**

Fixed assets are stated at cost less accumulated depreciation. Depreciation is calculated on reducing balance method over the useful life of the assets at the rates mentioned in Note 3. Depreciation on additions is charged for the full month in the month of purchases while no depreciation is charged in the month in which the asset is disposed off.

Maintenance and repairs are charged to surplus as and when incurred. Major renewals and improvements are capitalized. Gains and losses on disposal of assets are taken to income and expenditures account in the year of disposal.

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**MIAN MUHAMMAD BUKHSH TRUST**  
**BALANCE SHEET**  
**As on June 30, 2013**

	Notes	<u>2013</u> <u>Rupees</u>	<u>2012</u> <u>Rupees</u>		Notes	<u>2013</u> <u>Rupees</u>	<u>2012</u> <u>Rupees</u>
<b>CAPITAL AND LIABILITIES</b>				<b>ASSETS</b>			
Excess of receipt over expenditures		14,773,890	15,662,351	Property plant and equipment	3	63,484	79,479
				Work in progress- Building	4	14,457,145	14,409,035
<b>CURRENT LIABILITIES</b>				<b>CURRENT ASSETS</b>			
Audit fee		25,000	25,000	Cash and bank		278,261	1,198,837
		<u>14,798,890</u>	<u>15,687,351</u>			<u>14,798,890</u>	<u>15,687,351</u>

The annexed note 1 to 6 form an integral part of these financial statements.

  
 Chairman Trustee

  
 Secretary Trustee

**3 PROPERTY, PLANT AND EQUIPMENT**

	Computer Equipments	Electric Equipments	Total Operating Assets
<b>As at 01 July 2011</b>			
Cost	-	-	-
Accumulated depreciation	-	-	-
Net book value	<u>-</u>	<u>-</u>	<u>-</u>
<b>Year ended 30 June 2012</b>			
Opening net book value	-	-	-
Additions	48,770	39,700	88,470
Depreciation	(8,535)	(456)	(8,991)
Closing net book value	<u>40,235</u>	<u>39,244</u>	<u>79,479</u>
<b>As at 30 June 2012</b>			
Cost	48,770	39,700	88,470
Accumulated depreciation	(8,535)	(456)	(8,991)
Net book value	<u>40,235</u>	<u>39,244</u>	<u>79,479</u>
<b>Year ended 30 June 2013</b>			
Opening net book value	40,235	39,244	79,479
Depreciation	(12,071)	(3,924)	(15,995)
Closing net book value	<u>28,165</u>	<u>35,320</u>	<u>63,484</u>
<b>At 30 June 2013</b>			
Cost	48,770	39,700	88,470
Accumulated depreciation	(20,606)	(4,380)	(24,986)
Net book value	<u>28,165</u>	<u>35,320</u>	<u>63,484</u>
Depreciation rate (%)	<u>30</u>	<u>10</u>	

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