



HASSAN FAROOQ & COMPANY
Chartered Accountants

Auditors' Report To The Trustees

We have audited the annexed balance sheet of **Mian Muhammad Bukhsh Trust** (the trust) as at June 30, 2015 and the related income and expenditure account and cash flow statement together with the notes forming part thereof (hereinafter referred to as the "financial 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 approved accounting standards as applicable in Pakistan. Our responsibility is to express an opinion on these financial statements based on our audit.

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

As described in Note 4.3 the statement has been prepared on the receipt basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements present fairly in all material respects the financial position of the Trust as at June 30, 2015 and of its surplus and cash flows for the year then ended in accordance with the approved accounting standards as applicable in Pakistan.

HASSAN FAROOQ AND COMPANY
(Chartered Accountants)

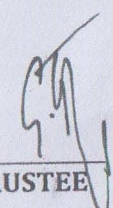
ENGAGEMENT PARTNER: Farooq Hamid

Lahore: October 01, 2015

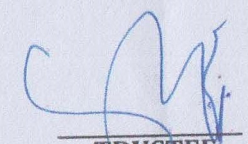
MIAN MUHAMMAD BUKHSH TRUST
BALANCE SHEET
As at June 30, 2015

	NOTE	<u>June 30, 2015</u> Rupees	<u>June 30, 2014</u> Rupees		NOTE	<u>June 30, 2015</u> Rupees	<u>June 30, 2014</u> Rupees
FUND AND LIABILITIES				ASSETS			
				NON CURRENT ASSETS			
Accumulated surplus		58,505,563	52,858,844	Property, plant and equipments	8	120,557,250	120,397,728
				Work in progress- CIVIL	9	29,285,517	16,430,654
						149,842,767	136,828,382
NON CURRENT LIABILITIES							
Endowment fund	5	99,550,000	99,550,000				
CURRENT LIABILITIES				CURRENT ASSETS			
Accrued liabilities	6	324,197	281,250	Security deposit		509,660	10,509,660
				Short term investment	10	5,000,000	-
				Advances	11	913,993	572,120
				Cash and bank		2,113,340	4,779,932
						8,536,993	15,861,712
CONTINGENCIES AND COMMITMENTS	7	-	-				
		158,379,760	152,690,094			158,379,760	152,690,094

The annexed notes 1 to 17 form an integral part of these financial statements.

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MIAN MUHAMMAD BUKHSH TRUST
RECEIPT AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2015

	NOTE	June 30, 2015 Rupees	June 30, 2014 Rupees
Receipts	12	9,631,293	40,217,315
Expenditures	13	(3,958,199)	(2,127,169)
Financial charges	14	(26,375)	(5,192)
		<u>(3,984,574)</u>	<u>(2,132,361)</u>
Surplus before taxation		5,646,719	38,084,954
Provision for taxation	15	-	-
		<u>5,646,719</u>	<u>38,084,954</u>
Excess of receipts over expenditures brought forward		<u>52,858,844</u>	<u>14,773,890</u>
Excess of receipts over expenditures carried forward		<u>58,505,563</u>	<u>52,858,844</u>

The annexed notes 1 to 17 form an integral part of these financial statements.

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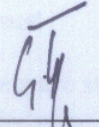

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MIAN MUHAMMAD BUKHSH TRUST
STATEMENT OF CHANGES IN ACCUMULATED SURPLUS
FOR THE YEAR ENDED JUNE 30, 2015


	Accumulated surplus Rupees
Balance as at June 30, 2013	14,773,890
Surplus for the year	38,084,954
Balance as at June 30, 2014	52,858,844
Surplus for the year	5,646,719
Balance as at June 30, 2015	58,505,563

The annexed notes 1 to 17 form an integral part of these financial statements.

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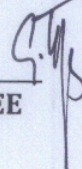


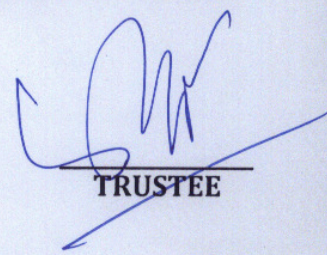
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MIAN MUHAMMAD BUKHSH TRUST
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2015

	<u>June 30, 2015</u> Rupees	<u>June 30, 2014</u> Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus before taxation	5,646,719	38,084,954
Adjustment for :		
Depreciation	173,812	62,431
Financial charges	26,375	5,192
	<u>200,187</u>	<u>67,623</u>
CASH FLOW FROM OPERATING ACTIVITIES BEFORE WORKING CAPITAL CHANGES	<u>5,846,906</u>	<u>38,152,577</u>
CASH FLOW FROM WORKING CAPITAL (Increase)/Decrease In Current Assets		
Security deposit	10,000,000	(10,509,660)
Short term investment	(5,000,000)	-
Advances	(341,873)	(572,120)
	<u>4,658,127</u>	<u>(11,081,780)</u>
Increase / (Decrease) In Current Liabilities		
Accrued and other liabilities	42,947	256,250
	<u>4,701,074</u>	<u>(10,825,530)</u>
CASH GENERATED FROM OPERATIONS	<u>10,547,980</u>	<u>27,327,047</u>
Financial charges paid	(26,375)	(5,192)
Taxes paid	-	-
	<u>(26,375)</u>	<u>(5,192)</u>
NET CASH GENERATED FROM OPERATING ACTIVITIES	<u>10,521,605</u>	<u>27,321,855</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Property, plant and equipments	(333,334)	(120,396,675)
Capital work in progress - civil	(12,854,863)	(1,973,509)
NET CASH (USED IN) INVESTING ACTIVITIES	<u>(13,188,197)</u>	<u>(122,370,184)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Endowment fund	-	99,550,000
NET CASH GENERATED FROM FINANCING ACTIVITIES	<u>-</u>	<u>99,550,000</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENT	<u>(2,666,592)</u>	<u>4,501,671</u>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>4,779,932</u>	<u>278,261</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>2,113,340</u>	<u>4,779,932</u>

The annexed notes 1 to 17 form an integral part of these financial statements.


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MIAN MUHAMMAD BUKHSH TRUST
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2015

1 THE TRUST AND ITS OPERATIONS

- 1.1 The Trust was formed on November 3, 2006 as Mian Muhammad Bukhsh Trust under the seal of Registrar joint stock 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. The registered office of the Trust is located at Suite 3-4, Khawaja Market, Shandar Chowk, Jhelum, Pakistan.
- 1.2 The financial statements are presented in Pak Rupee, which is the Company's functional and presentation currency.

2 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with approved accounting standards, as applicable in Pakistan.

3 BASIS OF PREPARATION

These financial statements have been prepared under the historical cost convention of accounting.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 PROPERTY, PLANT AND EQUIPMENT

Owned

Assets are stated at cost less accumulated depreciation except freehold land. Freehold land is stated at cost.

Depreciation is charged to income and expenditure account on reducing balance method. The rate of depreciation charged during the year is given in the Note 8. Depreciation on additions to fixed assets is charged from the month in which fixed assets is available for use while no depreciation is charged in the month of disposal.

Maintenance and normal repair are charged to income as and when incurred. Major renewals and improvements are capitalized. Gain or loss on disposal of fixed assets is recognized in current period's income.

The carrying amount of the trust's assets is reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exist the assets' recoverable amount is estimated and impairment losses are immediately recognized in the income and expenditure account.

Capital work in progress

All cost / expenditure connected with specific assets are collected under capital work-in-progress. These are transferred to specific assets as and when these assets are available for use.

4.2 Trade and other payables

Liabilities for payable 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.

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4.3 Revenue recognition

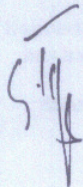
- These incomes are recognized when received from the patients. This relates to admission fee amounting to Rs.20 per person who can afford to pay only.
- Donations are recognized on receipt basis.

4.4 Cash and cash equivalent

Cash in hand and bank are carried at fair value. For the purpose of cash flow statement, cash and cash equivalent consist of cash in hand and at bank.

	<u>June 30, 2015</u> Rupees	<u>June 30, 2014</u> Rupees
5 ENDOWMENT FUND		
Opening balance	99,550,000	-
Received during the year		
- in cash	-	-
- other than cash	-	99,550,000
	-	99,550,000
	<u>99,550,000</u>	<u>99,550,000</u>
Funds utilized during the year	-	-
Closing balance	<u>99,550,000</u>	<u>99,550,000</u>
6 ACCRUED LIABILITIES		
Staff salaries payable	66,460	102,500
Utilities	-	6,598
Other	257,737	172,152
	<u>324,197</u>	<u>281,250</u>
7 CONTINGENCIES AND COMMITMENTS		
Contingencies		
There were no material contingencies as at June 30, 2015 (2014 : Nil).		
Commitments		
There were no material commitments as at June 30, 2015 (2014 : Nil).		

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8 PROPERTY, PLANT AND EQUIPMENT	NOTE	June 30,2015	June 30,2014
		Rupees	Rupees
Operating assets	8.1	<u>120,557,250</u>	<u>120,397,728</u>

8.1 Reconciliation of carrying amounts at the beginning and end of the year is as follows:

	Owned					Total Operating Assets
	Land	Computer Equipments	Electric Equipments	Furniture & Fixture	Office Equipments	
	----- Rupees -----					
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>
Year ended 30 June 2014						
Opening net book value	-	28,165	35,320	-	-	63,484
Additions	119,550,000	153,970	123,845	434,700	134,160	120,396,675
Depreciation	-	(26,137)	(7,999)	(20,383)	(7,912)	(62,431)
Closing net book value	<u>119,550,000</u>	<u>155,998</u>	<u>151,166</u>	<u>414,317</u>	<u>126,248</u>	<u>120,397,728</u>
At 30 June 2014						
Cost	119,550,000	202,740	163,545	434,700	134,160	120,485,145
Accumulated depreciation	-	(46,743)	(12,379)	(20,383)	(7,912)	(87,417)
Net book value	<u>119,550,000</u>	<u>155,998</u>	<u>151,166</u>	<u>414,317</u>	<u>126,248</u>	<u>120,397,728</u>
Year ended 30 June 2015						
Opening net book value	119,550,000	155,998	151,166	414,317	126,248	120,397,728
Additions	-	92,500	143,334	94,500	3,000	333,334
Depreciation	-	(60,674)	(23,008)	(70,968)	(19,162)	(173,812)
Closing net book value	<u>119,550,000</u>	<u>187,824</u>	<u>271,492</u>	<u>437,849</u>	<u>110,086</u>	<u>120,557,250</u>
At 30 June 2015						
Cost	119,550,000	295,240	306,879	529,200	137,160	120,818,479
Accumulated depreciation	-	(107,416)	(35,387)	(91,351)	(27,074)	(261,229)
Net book value	<u>119,550,000</u>	<u>187,824</u>	<u>271,492</u>	<u>437,849</u>	<u>110,086</u>	<u>120,557,250</u>
Depreciation rate (%)		<u>30</u>	<u>10</u>	<u>15</u>	<u>15</u>	

	June 30,2015	June 30,2014
	Rupees	Rupees
8.1.1 Depreciation for the year has been allocated as under:		
Expenditure	<u>173,812</u>	<u>62,431</u>

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	NOTE	June 30, 2015 Rupees	June 30, 2014 Rupees
9 WORK - IN - PROGRESS - CIVIL			
Opening balance		16,430,654	14,457,145
Additions during the year		12,854,863	1,973,509
		<u>29,285,517</u>	<u>16,430,654</u>
Transferred to operating assets		-	-
Closing balance		<u>29,285,517</u>	<u>16,430,654</u>
10 ADVANCES			
Advance for assets		572,120	572,120
Mobilization advance		272,500	-
Other receivables		69,373	-
		<u>913,993</u>	<u>572,120</u>
11 CASH AND BANK BALANCES			
Cash in hand		9,071	9,187
Cash at bank			
- in current accounts		2,104,269	4,770,745
		<u>2,113,340</u>	<u>4,779,932</u>
12 RECEIPTS			
Fee Received		180,440	210,000
Return on investment		334,116	-
Donations		9,116,737	40,007,315
		<u>9,631,293</u>	<u>40,217,315</u>
13 EXPENDITURES			
Salaries		1,146,456	845,320
Medicines and medical instrument		237,910	99,903
Travelling		124,655	1,950
Advertisement		1,068,308	132,910
Utilities		174,885	31,782
Legal and professional charges		172,500	100,000
Printing and stationery		95,137	132,172
Software & web development		30,000	-
Welfare expenses		182,312	-
Office expenses		37,847	-
Rent, rate and taxes		300,000	247,625
Communication charges		23,524	23,164
Depreciation	8	173,812	62,431
Auditor's remuneration		25,000	25,000
Entertainment		93,987	227,974
Repair and maintenance		65,410	124,146
Miscellaneous expenses		6,456	72,792
		<u>3,958,199</u>	<u>2,127,169</u>
14 FINANCIAL CHARGES			
Bank charges		26,375	5,192

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15 PROVISION FOR TAXATION

This income of the trust is exempt from tax under section 100C (2a) of income tax ordinance, 2001.

16 REARRANGEMENT

16.1 Prior year figures have been re-arranged wherever considered necessary for the purpose of better presentation. Significant re-arrangements are as under;

Courier charges, Communication and Newspaper and periodicals respectively amounting to Rs. 6,564, 2,700 and 2,390 was presented as separate account heads in expenditures last year has now been grouped as "Communication charges" in expenditure.

Carriage expenses amounting to Rs. 11,510 was presented as separate account heads in expenditures last year has now been grouped under the head of "Travelling " in expenditures.

16.2 Nomenclature

Nomenclature of the following accounts has been changed:

Previous Nomenclature

Advance for asset

Current Nomenclature

Advances

16.3 Figures have been rounded off to the nearest Rupee.

17 DATE OF AUTHORIZATION FOR ISSUE

The financial statements were authorised for issue on Oct 4, 2015 by the Board of Trustees of the Trust.


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