

FINANCIAL STATEMENTS

OF

ROSHAN KHAN FOUNDATION

For the year ended JUNE 30TH 2021

Independent Auditor's Report to the Members

We have audited the annexed financial statements of ROSHAN KHAN FOUNDATION which comprise the balance sheet as at June 30, 2021, income and expenditure account, statement of cash flows for the year then ended, and notes to the financial statements, including the summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of ROSHAN KHAN FOUNDATION as at June 30, 2021, and its financial performance and its cash flows for the year then ended in accordance with the approved accounting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with the International Standards of 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 ROSHAN KHAN FOUNDATION 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.

Emphases of Matter

As detailed in note 2.1 of these financial statements, the financial statements of the foundation prepared for 12 months starting from July 1, 2020 and ended on June 30, 2021 for the year ended June 30, 2019, being first financial statements of foundation after its registration. Our opinion is not modified in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Management is responsible for the preparation and fair presentation of the financial statements in accordance with the approved accounting standards as applicable in Pakistan, and for such internal control as the Members determine 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 Management's ability to continue as 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 Management or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Management's financial reporting process.

Auditor's Responsibilities for the Audit of the 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 auditor's 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 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 misstatement 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 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 the effectiveness of the Management'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 Management's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the Management 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 those charged with governance 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.

The engagement partner on the audit resulting in this independent auditor's report is Syed Mahir Alam.


Chartered Accountants

Karachi, August 23, 2021.

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**ROSHAN KHAN FOUNDATION
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2021**

	Notes	2021 ---- Rupees ----
NON-CURRENT ASSETS		
Property, plant & equipment	3	6,202,772
CURRENT ASSETS		
Advance income tax	4	23,420
Medicine stock		527,642
Cash and bank balances	5	1,297,096
		1,848,158
		<u>8,050,930</u>
FUND AND LIABILITIES		
Surplus for the fiscal		7,878,530
CURRENT LIABILITIES		
Auditor remuneration		32,400
Accrued liabilities		140,000
		172,400
Contingencies and commitments		
		<u>8,050,930</u>

The annexed notes from 1 to 10 form an integral part of these financial statements.


Trustee


Trustee

Karachi, August 23, 2021

**ROSHAN KHAN FOUNDATION
STATEMENT OF RECEIPT
FOR THE YEAR ENDED JUNE 30, 2021**

	Notes	2021 ---- Rupees ----
Income		
Doctor Fees		351,620
Medicines		591,974
Lab Fees		81,980
Donation		19,199,793
		<u>20,225,367</u>
Direct expenses		
Donation in kind (Groceries)		303,885
Rashan distribution		5,565,451
		<u>5,869,336</u>
Administrative expenditure		
Salaries & Allowance		2,306,813
Travelling		173,390
Medicine expense		2,240,575
Miscellaneous		783,384
Auditors Fee		32,400
Utilities		461,886
Depreciation		478,553
Bank Charges		500
		<u>6,477,501</u>
Net Surplus		<u><u>7,878,530</u></u>

The annexed notes from 1 to 10 form an integral part of these financial statements.


Trustee


Trustee

Karachi, August 23, 2021

**ROSHAN KHAN FOUNDATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2021**

	2021 ---- Rupees ----
Cash flows from operating activities	
Surplus for the year	7,878,530
<i>Adjustment for:</i>	
Depreciation	478,553
	<u>8,357,083</u>
<i>(Increase)/ decrease in operating assets</i>	
Advances income tax	(23,420)
Stock	(527,642)
<i>Increase/(decrease) in operating liabilities</i>	
Accrued liabilities	172,400
Cash (used in)/ generated from operating activities	<u>7,978,421</u>
Cash flows from investing activities	
Purchase of fixed assets	<u>(6,681,325)</u>
Cash used in investing activities	(6,681,325)
Cash flows from financing activities	
Net cash used in all activities during the year	<u>1,297,096</u>
Cash and cash equivalent at start of the year	<u>-</u>
Cash and cash equivalent at end of the year	<u><u>1,297,096</u></u>

The annexed notes from 1 to 10 form an integral part of these financial statements.


Trustee


Trustee

Karachi, August 23, 2021

ROSHAN KHAN FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

1 Introduction

The Roshan Khan Foundation is registered under Trust Act, 1882 having registration no. KAR No. 0005 issued on July 08, 2009. The registered office of the foundation is situated at Plot No. B-17, Suite No. 1, S.I.T.E, Karachi. The Foundation is running a clinic to provide concessional medical facilities. Besides, the foundation is also providing assistance for education to poor children and financial support to poor and deserving people.

2 Significant accounting policies

The principal accounting policies applied 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.

2.1 Accounting Period

These financial statements has been prepared for 12 months starting from July 01, 2020 till June 30, 2021. Before the said period Foundation has no operations or any financial transactions associated with Foundation.

2.1 Basis of preparation of accounts

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

2.2 Basis of measurement

These financial statements have been prepared under historical cost convention.

2.3 Property, plant and equipment

Item of property, plant and equipment is recognized as asset when it is probable that future economic benefits associated with the asset will flow to the company and its cost to the company can be measured reliably.

An item of property, plant and equipment which qualifies for recognition as an asset is initially measured at its cost. Subsequent to initial recognition these are stated at their historical cost less accumulated depreciation. Subsequent expenditure on property, plant and equipment is added to the carrying amount of the asset when the expenditure improves the condition of the asset beyond its originally assessed standard of performance.

Depreciation is charged so as to write off the cost of assets over their estimated useful lives, using the reducing line method, on the basis of rates specified in Note 3. The depreciation for assets acquired during the year is charged from the date of their acquisition. For assets disposed off during the year, depreciation is charged upto the date of their disposal.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in income.

2.4 Receipt recognition

Income from donations is recognized on cash basis. The donations of assets other than cash are recognized at their estimated fair value.

2.5 Expenditure

Expenses are recognised, when incurred on accrual basis.

2.6 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held at call with banks, other short-term highly liquid investments, and bank overdrafts.

**ROSHAN KHAN FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

3. Property, plant and equipment

ASSETS	As at June 30, 2021		Rate %	Charge for the Year	As at Jun 30, 2021	W. D. V. As at June 30, 2021
	Additions During the period	As at June 30, 2021				
Owned						
Hospital Equipment	3,057,525	3,057,525	15%	156,412	156,412	2,901,113
Laboratory	1,033,320	1,033,320	15%	78,504	78,504	954,816
Kitchen equipment	215,000	215,000	15%	32,250	32,250	182,750
Residency	200,000	200,000	15%	30,000	30,000	170,000
Computer	525,000	525,000	30%	72,185	72,185	452,815
Motor Vehicle	1,650,480	1,650,480	15%	109,203	109,203	1,541,277
Total - 2021	6,681,325	6,681,325		478,553	478,553	6,202,772

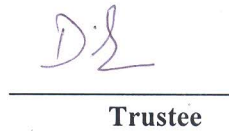
D.S.

J. Khan

**ROSHAN KHAN FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

	Notes	2021 ---- Rupees ----
4 Advance Income Tax		
Withholding tax deducted u/s 236P		<u>23,420</u>
		<u>23,420</u>
5 Cash and bank balances		
Cash at bank - in current account		<u>1,297,096</u>
		<u>1,297,096</u>
6 Contingencies and commitments		
There were no contingencies and commitments at statement of financial position date.		
7 Related party		
The related parties comprise of Trustees and Managing Committee of Roshan Khan Foundation. All related party transactions and balances are specifically disclosed in related notes, if any.		
8 Subsequent Event		
The Foundation is established under the Trust Act, 1882 which is now repealed and suprceded by the provincial trust Acts. The Trustees are in the process of assessing the impact of the promulgation of The Khyber Pakhtunkhwa Trust Act, 2020 as major operations of the Foundations are in the KPK Province.		
9 Date of authorization for issue		
These financial statements were authorized for issue on August 23, 2021 by the managing committee.		
10 General		
Figures have been rounded off to the nearest rupee.		


Trustee


Trustee

Karachi, August 23, 2021