

VITAL PAKISTAN TRUST
FINANCIAL STATEMENTS FOR THE YEAR ENDED
JUNE 30, 2019



INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF VITAL PAKISTAN TRUST

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the annexed financial statements of Vital Pakistan Trust, which comprise the statement of financial position as at June 30, 2019, and the income and expenditure account, the statement of comprehensive income, statement of changes in fund, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the income and expenditure account, the statement of comprehensive income, the statement of changes in fund and the statement of cash flows together with the notes forming part thereof conform with the International Financial Reporting Standards as applicable in Pakistan give a true and fair view of the state of the Trust's affairs as at June 30, 2019 and of the deficit, the statement of changes in fund and its cash flows for the year then ended.

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.

Information other than the financial statements and auditor's report thereon

Management is responsible for the other information. The other information comprises the information included in the Directors' report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Responsibilities of Management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan, 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.

Those charge with governance are responsible for overseeing the Trust'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 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 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 Trust to cease to continue as a going concern.

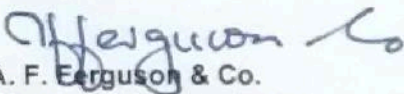
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- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charge 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.

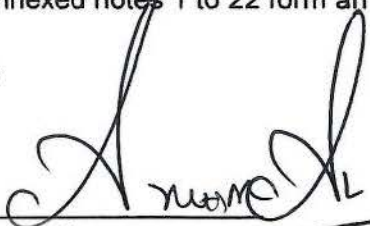
The engagement partner on the audit resulting in this independent auditor's report is Khurshid Hasan.


A. F. Ferguson & Co.
Chartered Accountants
Karachi
Dated: July 17, 2020

**VITAL PAKISTAN TRUST
BALANCE SHEET
AS AT JUNE 30, 2019**

	Note	June 30, 2019 Rupees	June 30, 2018 Rupees
ASSETS			
Non-current assets			
Property and equipment	4	7,471,047	10,148,089
Intangible assets	5	48,122	83,527
		<u>7,519,169</u>	<u>10,231,616</u>
Current assets			
Advances, deposits and prepayments	6	25,740,855	35,925,671
Grant receivable	7	29,765,344	4,852,067
Other receivable	8	4,265,340	-
Cash and bank balances	9	92,225,342	116,587,891
		<u>151,996,881</u>	<u>157,365,629</u>
Total assets		<u><u>159,516,050</u></u>	<u><u>167,597,245</u></u>
FUNDS AND LIABILITIES			
Accumulated surplus		12,141,455	4,402,698
Current liabilities			
Deferred income	7	145,276,341	160,412,660
Accrued and other liabilities	10	2,098,254	2,781,887
		<u>147,374,595</u>	<u>163,194,547</u>
Total funds and liabilities		<u><u>159,516,050</u></u>	<u><u>167,597,245</u></u>
CONTINGENCIES AND COMMITMENTS	11		

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

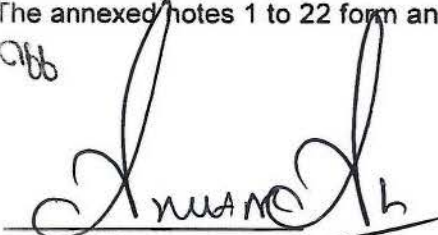
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 Trustee



 Chairperson / Trustee

**VITAL PAKISTAN TRUST
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2019**

	Note	June 30, 2019 Rupees	June 30, 2018 Rupees
Income			
Grant from foundations	12	108,303,842	73,089,557
Donations	13	2,162,752	1,133,000
Income from investments		-	175,685
Rent from The Aga Khan University (AKU)	8	2,526,066	-
Exchange gain		-	-
Interest income on saving accounts		3,049,939	-
Total income		116,042,599	74,398,242
Expenditure			
Project direct healthcare associated costs and supplies	14	42,573,961	24,758,283
Salaries, wages and other benefits	15	35,826,126	27,028,740
Rent and utilities expense		4,337,057	4,010,278
Office supplies and running cost		1,978,347	1,726,361
Vehicle running expense		15,988,854	9,640,395
Depreciation and amortisation		2,840,852	1,452,147
Printing and stationary		921,417	1,281,087
Fuel charges		1,274,979	605,283
Repairs and maintenance		60,360	883,614
Travelling and meeting expenses		427,626	172,808
Auditors' remuneration	16	378,000	350,000
Insurance expense		786,837	226,538
Bank charges		740,750	152,481
Legal and professional charges		37,500	747,925
Others		131,176	53,617
Total expenditure		108,303,842	73,089,557
Taxation	17	-	-
Surplus for the year		7,738,757	1,308,685

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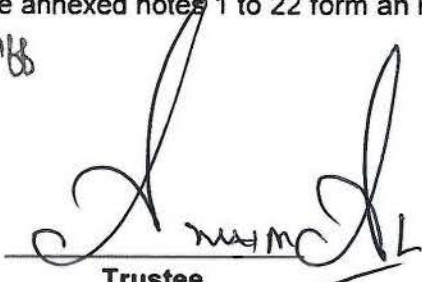
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Trustee

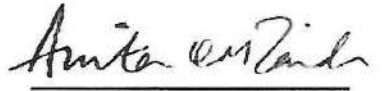

Chairperson / Trustee

**VITAL PAKISTAN TRUST
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2019**

	June 30, 2019 Rupees	June 30, 2018 Rupees
Surplus for the year	7,738,757	1,308,685
Other comprehensive income for the year	-	-
Total comprehensive / income for the year	<u>7,738,757</u>	<u>1,308,685</u>

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

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Trustee

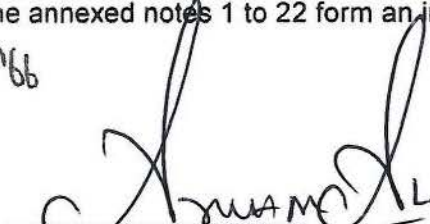

Chairperson / Trustee

**VITAL PAKISTAN TRUST
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2019**

	Note	June 30, 2019 Rupees	June 30, 2018 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Surplus for the year		7,738,757	1,308,685
Adjustments for:			
Grant from foundations	12	(108,303,842)	(73,089,557)
Depreciation and amortisation	4 & 5	2,840,852	1,452,147
Loss on disposal of property and equipment		40,153	-
Income from investments	8	(1,739,274)	(175,685)
		(107,162,111)	(71,813,095)
		<u>(99,423,354)</u>	<u>(70,504,410)</u>
WORKING CAPITAL CHANGES			
Decrease / (Increase) in current assets			
Advances, deposits and prepayments		10,184,816	(35,336,338)
Other receivable		(2,526,066)	-
Increase / (Decrease) in current liabilities			
Accrued and other liabilities		(683,633)	1,616,420
Net cash used in operating activities		<u>(92,448,237)</u>	<u>(104,224,328)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds / (acquisition) of investments - net		-	15,000,000
Interest received		-	431,014
Acquisition of property and equipment	4	(169,807)	(9,114,900)
Addition in capital work in progress		-	(39,500)
Acquisition of intangible		-	(106,225)
Net cash (used in) / generated from investing activities		<u>(169,807)</u>	<u>6,170,389</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Grants received	7.1	<u>68,255,495</u>	<u>194,625,621</u>
Net cash generated from financing activities		<u>68,255,495</u>	<u>194,625,621</u>
Net (decrease) / increase in cash and cash equivalents		(24,362,549)	96,571,682
Cash and cash equivalents at beginning of the year		116,587,891	20,016,209
Cash and cash equivalents at end of the year	9	<u><u>92,225,342</u></u>	<u><u>116,587,891</u></u>

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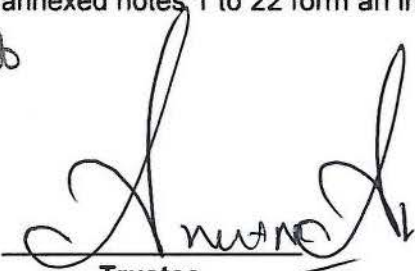

Trustee

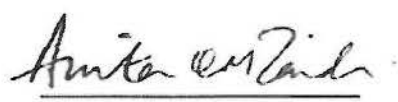

Chairperson / Trustee

**VITAL PAKISTAN TRUST
STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED JUNE 30, 2019**

	Accumulated surplus (Rupees)
Balance as at July 1, 2017	3,094,013
Total comprehensive income for the year	
Surplus for the year	1,308,685
Other comprehensive income for the year	-
	1,308,685
Balance as at June 30, 2018	4,402,698
Total comprehensive income for the year	
Surplus for the year	7,738,757
Other comprehensive income for the year	-
	7,738,757
Balance as at June 30, 2019	12,141,455

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

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Trustee


Chairperson / Trustee