



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

Opinion

We have audited the financial statements of Vital Pakistan Trust (the Trust), which comprise the statement of financial position as at June 30, 2021, and the statement of income and expenditure, the statement of other comprehensive income, the statement of changes in funds and statement of cash flows for the year 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 Trust as at June 30, 2021, and of its financial performance and its cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with the 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.

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 and financial 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 charged with governance i.e. the Trustees of the Trust 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.

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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.
- 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 the 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.

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


A. F. Ferguson & Co.
Chartered Accountants
Karachi

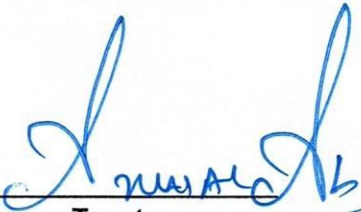
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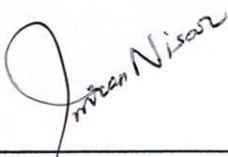
**VITAL PAKISTAN TRUST
FINANCIAL STATEMENTS FOR THE YEAR ENDED
JUNE 30, 2021**

VITAL PAKISTAN TRUST
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2021

| | Note | June 30, 2021 ------(Rupees)----- | June 30, 2020 -----(Rupees)---- |
|--------------------------------------|------|-----------------------------------------|---------------------------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Property and equipment | 4 | 23,782,578 | 8,124,563 |
| Intangible assets | 5 | 41,317,553 | 18,087,336 |
| | | <u>65,100,131</u> | <u>26,211,899</u> |
| Current assets | | | |
| Advances, deposits and prepayments | 6 | 287,810,338 | 118,547,105 |
| Other receivable | 8 | 12,902,899 | 4,958,799 |
| Cash and bank balances | 9 | 1,023,246,468 | 289,379,001 |
| | | <u>1,323,959,705</u> | <u>412,884,905</u> |
| Total assets | | <u><u>1,389,059,836</u></u> | <u><u>439,096,804</u></u> |
| FUND AND LIABILITIES | | | |
| Accumulated surplus | | 33,921,832 | 30,226,607 |
| Liabilities | | | |
| Current liabilities | | | |
| Deferred income - restricted | 7 | 1,335,773,585 | 403,838,039 |
| Accrued and other liabilities | 10 | 19,364,419 | 5,032,158 |
| | | <u>1,355,138,004</u> | <u>408,870,197</u> |
| Total fund and liabilities | | <u><u>1,389,059,836</u></u> | <u><u>439,096,804</u></u> |
| CONTINGENCIES AND COMMITMENTS | 11 | | |

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

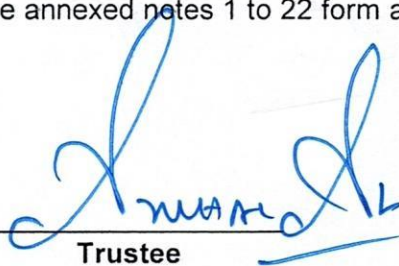

Trustee

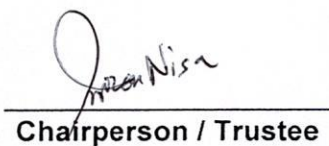

Chairperson / Trustee

VITAL PAKISTAN TRUST
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2021

| | Note | June 30, 2021 ---(Rupees)--- | June 30, 2020 ---(Rupees)--- |
|---------------------------------------------------------|-------|------------------------------------|------------------------------------|
| Income | | | |
| Grant from foundations | 12 | 413,513,238 | 162,043,741 |
| Donations | 13 | 3,695,225 | 121,000 |
| Other operating income | 14 | - | 17,964,152 |
| Total income | | <u>417,208,463</u> | <u>180,128,893</u> |
| Expenditure | | | |
| Project direct healthcare associated costs and supplies | 15 | 192,617,690 | 72,105,167 |
| Salaries, wages and other benefits | | 123,753,339 | 50,336,394 |
| Rent and utilities expense | | 5,206,362 | 5,472,296 |
| Office supplies and running cost | | 9,809,228 | 6,102,388 |
| Vehicle running expense | | 18,263,056 | 17,908,489 |
| Depreciation and amortisation | 4 & 5 | 17,517,809 | 3,292,259 |
| Printing and stationary | | 1,441,684 | 852,044 |
| Fuel charges | | 2,557,483 | 1,246,663 |
| Communication | | 2,680,646 | 529,565 |
| Repairs and maintenance | | 2,333,326 | 919,104 |
| Travelling and meeting expenses | | 20,158,542 | 385,978 |
| Auditors' remuneration | 16 | 700,000 | 385,000 |
| Insurance expense | | 2,854,030 | 1,001,093 |
| Bank charges | | 14,183 | 460,042 |
| Legal and professional charges | | 12,076,289 | 939,200 |
| Others | | 1,529,571 | 108,059 |
| Total expenditure | | <u>413,513,238</u> | <u>162,043,741</u> |
| Taxation | 17 | - | - |
| Surplus for the year | | <u><u>3,695,225</u></u> | <u><u>18,085,152</u></u> |

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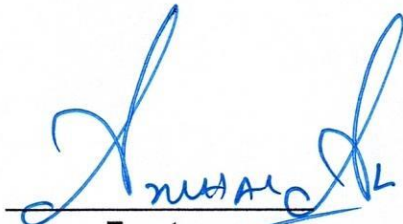

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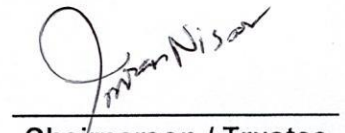

Chairperson / Trustee

VITAL PAKISTAN TRUST
STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2021

| | June 30, 2021 ---(Rupees)--- | June 30, 2020 ---(Rupees)--- |
|------------------------------------------------|------------------------------------|------------------------------------|
| Surplus for the year | 3,695,225 | 18,085,152 |
| Other comprehensive income for the year | - | - |
| Total comprehensive income for the year | <u><u>3,695,225</u></u> | <u><u>18,085,152</u></u> |

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



Trustee


Chairperson / Trustee

VITAL PAKISTAN TRUST
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2021

| | Note | June 30, 2021 ---(Rupees)--- | June 30, 2020 ---(Rupees)--- |
|-----------------------------------------------------------|-------|------------------------------------|------------------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Surplus for the year | | 3,695,225 | 18,085,152 |
| Adjustments for: | | | |
| Grant from foundations | 12 | (413,513,238) | (162,043,741) |
| Depreciation and amortisation | 4 & 5 | 17,517,809 | 3,292,259 |
| Gain on disposal of property and equipment | | - | (817,848) |
| Return on bank deposits | | - | (13,010,522) |
| | | (395,995,429) | (172,579,852) |
| | | <u>(392,300,204)</u> | <u>(154,494,700)</u> |
| WORKING CAPITAL CHANGES | | | |
| (Increase) / decrease in current assets | | | |
| Advances, deposits and prepayments | | (169,263,233) | (92,806,250) |
| Other receivable | | (7,944,100) | (2,432,733) |
| Increase / (decrease) in current liabilities | | | |
| Accrued and other liabilities | | 14,332,261 | 2,933,904 |
| Net cash outflow on operating activities | | <u>(555,175,276)</u> | <u>(246,799,779)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Acquisition of property and equipment | 4 | (20,816,696) | (4,283,526) |
| Acquisition of intangible assets | | (35,589,345) | (18,587,115) |
| Proceeds from disposal of property and equipment | | - | 1,703,500 |
| Interest received on bank deposits | | - | 14,749,796 |
| Net cash outflow on investing activities | | <u>(56,406,041)</u> | <u>(6,417,345)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Grants received | 7 | 1,290,305,037 | 450,370,783 |
| Increase in deferred income | | 55,143,747 | - |
| Net cash inflow from financing activities | | <u>1,345,448,784</u> | <u>450,370,783</u> |
| Net increase in cash and cash equivalents during the year | | 733,867,467 | 197,153,659 |
| Cash and cash equivalents at beginning of the year | | 289,379,001 | 92,225,342 |
| Cash and cash equivalents at end of the year | 9 | <u><u>1,023,246,468</u></u> | <u><u>289,379,001</u></u> |

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


Trustee


Chairperson / Trustee

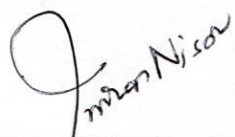
VITAL PAKISTAN TRUST
 STATEMENT OF CHANGES IN FUNDS
 FOR THE YEAR ENDED JUNE 30, 2021

| | Accumulated surplus ---(Rupees)--- |
|------------------------------------------------|------------------------------------------|
| Balance as at July 1, 2019 | 12,141,455 |
| Total comprehensive income for the year | |
| Surplus for the year | 18,085,152 |
| Other comprehensive income for the year | - |
| | 18,085,152 |
| Balance as at June 30, 2020 | 30,226,607 |
| Total comprehensive income for the year | |
| Surplus for the year | 3,695,225 |
| Other comprehensive income for the year | - |
| | 3,695,225 |
| Balance as at June 30, 2021 | 33,921,832 |

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



 Trustee



 Chairperson / Trustee