

VITAL PAKISTAN TRUST  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
JUNE 30, 2022



## 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, 2022, and the statement of income and expenditure, the statement of other comprehensive income, the statement of changes in funds and the 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, 2022, 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.

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### 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.
- 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.

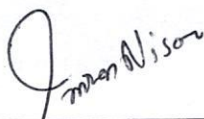
  
A. F. Ferguson & Co.  
Chartered Accountants  
Karachi

Date: June 2, 2023  
UDIN: AR202210160UltihcJY4

VITAL PAKISTAN TRUST  
STATEMENT OF FINANCIAL POSITION  
AS AT JUNE 30, 2022

	Note	As at June 30,		Opening balance as at July 1, 2020 (Restated)
		2022	2021 (Restated)	
------(Rupees)-----				
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property and equipment	5	41,676,346	23,782,578	8,124,563
Right-of-use assets	6	33,004,518	-	-
Intangible assets	7	88,301,957	41,317,553	18,087,336
		<u>162,982,821</u>	<u>65,100,131</u>	<u>26,211,899</u>
<b>Current assets</b>				
Advances, deposits and prepayments	8	295,739,048	287,810,338	118,547,105
Short-term investments	9	600,000,000	-	-
Accrued income and other receivables	10	61,000,321	12,902,899	4,958,799
Cash and bank balances	11	606,068,927	1,023,246,468	289,379,001
		<u>1,562,808,296</u>	<u>1,323,959,705</u>	<u>412,884,905</u>
<b>Total assets</b>		<u><u>1,725,791,117</u></u>	<u><u>1,389,059,836</u></u>	<u><u>439,096,804</u></u>
<b>FUND</b>				
Accumulated surplus / deficit		4,974,439	(1,961,673)	(2,688,077)
<b>LIABILITIES</b>				
<b>Non-current liability</b>				
Lease liabilities	12	17,203,937	-	-
<b>Current liabilities</b>				
Deferred income - restricted	13	1,612,740,351	1,371,657,090	436,752,723
Accrued and other liabilities	14	74,898,593	19,364,419	5,032,158
Current portion of lease liabilities	12	15,973,797	-	-
		<u>1,703,612,741</u>	<u>1,391,021,509</u>	<u>441,784,881</u>
<b>Total fund and liabilities</b>		<u><u>1,725,791,117</u></u>	<u><u>1,389,059,836</u></u>	<u><u>439,096,804</u></u>
<b>CONTINGENCIES AND COMMITMENTS</b> 15				

The annexed notes 1 to 28 form an integral part of these financial statements.

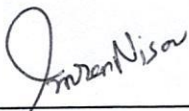
  
Trustee


  
Chairperson / Trustee

**VITAL PAKISTAN TRUST  
STATEMENT OF INCOME AND EXPENDITURE  
FOR THE YEAR ENDED JUNE 30, 2022**

	Note	2022 ------(Rupees)-----	2021 (Restated)
<b>Income</b>			
Amortisation of deferred income	16	883,732,129	410,544,417
Donations	17	8,314,713	3,695,225
<b>Total income</b>		<b>892,046,842</b>	<b>414,239,642</b>
<b>Expenditure</b>			
Project direct healthcare associated costs and supplies	18	417,924,040	192,617,690
Salaries, wages and other benefits		218,411,546	123,753,339
Rent and utilities expense		15,417,359	5,206,362
Office supplies and running cost		13,069,825	9,809,228
Vehicle running expense		130,197,921	38,421,598
Depreciation on property and equipment	5	9,915,099	5,158,681
Amortisation on intangible assets	7	14,714,016	12,359,128
Depreciation on right-of-use assets	6	11,968,040	-
Property and equipment written off	5	5,421,854	-
Printing and stationary		4,304,215	1,441,684
Fuel charges		4,583,926	2,557,483
Communication		3,148,978	2,680,646
Repairs and maintenance		4,411,959	2,333,326
Auditor's remuneration	19	1,802,000	700,000
Insurance expense		7,565,719	2,854,030
Legal and professional charges		16,220,035	12,076,289
Interest expense on lease liabilities	12	2,067,352	-
Others		3,966,846	1,543,754
<b>Total expenditure</b>		<b>885,110,730</b>	<b>413,513,238</b>
<b>Surplus of income over expenditure for the year</b>		<b>6,936,112</b>	<b>726,404</b>

The annexed notes 1 to 28 form an integral part of these financial statements.

  
Trustee

  
Chairperson / Trustee

VITAL PAKISTAN TRUST  
STATEMENT OF OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED JUNE 30, 2022

	2022	2021 (Restated)
	------(Rupees)-----	
Surplus of income over expenditure for the year	6,936,112	726,404
Other comprehensive income for the year	-	-
<b>Total comprehensive income for the year</b>	<u>6,936,112</u>	<u>726,404</u>

The annexed notes 1 to 28 form an integral part of these financial statements.

  
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Trustee

  
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Chairperson / Trustee

VITAL PAKISTAN TRUST  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2022

	Note	2022	2021 (Restated)
		------(Rupees)-----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Surplus of income over expenditure for the year		6,936,112	726,404
<b>Adjustments for:</b>			
Amortisation of deferred income	16	(883,732,129)	(410,544,417)
Depreciation on property and equipment	5	9,915,099	5,158,681
Amortisation on intangible assets	7	14,714,016	12,359,128
Depreciation on right-of-use assets	6	11,968,040	-
Property and equipment written off	5	5,421,854	-
Gain on disposal of property and equipment		(150,000)	-
Interest expense on lease liabilities	12	2,067,352	-
		(839,795,768)	(393,026,608)
		<u>(832,859,656)</u>	<u>(392,300,204)</u>
<b>WORKING CAPITAL CHANGES</b>			
<b>(Increase) / decrease in current assets</b>			
Advances, deposits and prepayments		(7,928,710)	(169,263,233)
Accrued income and other receivables		(48,097,422)	(7,944,100)
Grant receivable		-	-
<b>Increase / (decrease) in current liabilities</b>			
Accrued and other liabilities		55,534,174	14,332,261
<b>Net cash outflow on operating activities</b>		<u>(833,351,614)</u>	<u>(555,175,276)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisition of property and equipment	5	(33,230,721)	(20,816,696)
Acquisition of intangible assets	7	(61,698,420)	(35,589,345)
Proceeds from disposal of property and equipment		150,000	-
<b>Net cash outflow on investing activities</b>		<u>(94,779,141)</u>	<u>(56,406,041)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Grants received during the year	13	975,628,673	1,290,305,037
Lease rentals paid during the year	12	(13,862,176)	-
Increase in deferred income		149,186,717	55,143,747
<b>Net cash inflow from financing activities</b>		<u>1,110,953,214</u>	<u>1,345,448,784</u>
Net increase in cash and cash equivalents		182,822,459	733,867,467
Cash and cash equivalents at beginning of the year		1,023,246,468	289,379,001
<b>Cash and cash equivalents at end of the year</b>	20	<u><u>1,206,068,927</u></u>	<u><u>1,023,246,468</u></u>

The annexed notes 1 to 28 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, 2022**

**Accumulated  
surplus / deficit  
---(Rupees)---**

Balance as at July 1, 2019 - as previously stated	12,141,455
Effect of restatement (refer note 4)	<u>(10,929,329)</u>
Balance as at July 1, 2019 - <b>restated</b>	1,212,126
Total comprehensive income for the year	
Surplus of income over expenditure for the year	18,085,152
Effect of restatement (refer note 4)	(21,985,355)
Other comprehensive income for the year	-
	<u>(3,900,203)</u>
Balance as at June 30, 2020 - <b>restated</b>	(2,688,077)
Total comprehensive income for the year	
Surplus of income over expenditure for the year - <b>restated</b>	726,404
Other comprehensive income for the year	-
	<u>726,404</u>
Balance as at June 30, 2021 - <b>restated</b>	(1,961,673)
Total comprehensive income for the year	
Surplus of income over expenditure for the year	6,936,112
Other comprehensive income for the year	-
	<u>6,936,112</u>
<b>Balance as at June 30, 2022</b>	<b><u><u>4,974,439</u></u></b>

The annexed notes 1 to 28 form an integral part of these financial statements.

  
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Trustee

  
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Chairperson / Trustee