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THE INSTITUTE
OF CHARTERED
ACCOUNTANTS
IN ENGLAND AND WALES
AUTHORISED TRAINING EMPLOYER

**ANJUMAN BEHBOOD – E
– MARIZAN (PATIENTS
WELFARE SOCIETY –
INMOL)**

**Financial Statements
For the year ended
30th June 2022**

**KAMRAN & CO.
CHARTERED ACCOUNTANTS**

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**INDEPENDENT AUDITORS' REPORT TO THE RECTOR OF
ANJUMAN BEHBOOD-E-MARIZAN (PATIENTS WELFARE SOCIETY-INMOL)
REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

OPINION

We have audited the annexed financial statements of **ANJUMAN BEHBOOD-E-MARIZAN (PATIENTS WELFARE SOCIETY-INMOL)** ('the Society'), which comprises of statement of financial position as at June 30, 2022, and the income and expenditure account, 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 presents fairly, in all material respects, the financial position of the Society as at June 30, 2022, and of the financial performance and its cash flows for the year then ended in accordance with the financial reporting framework as applicable in Pakistan.

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 'Auditor's Responsibilities for the Audit of the Financial Statement' section of our report. We are Independent of the Project 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 basis for our opinion.

RESPONSIBILITIES OF THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

The Board of Governors 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, the Board of Governors is responsible for assessing the Society'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 Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society'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

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ANJUMAN BEHBOOD - E - MARIZAN
(Patients' Welfare Society - INMOL)

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

	Note	30 / June / 22 Rupees	30 / June / 21 Rupees
NET ASSETS			
Non-current assets			
Operating fixed assets	3	385,540	448,953
Current assets			
Inventory	4	51,245,454	31,264,962
Trade debts	5	105,195,477	9,184,663
Advances	6	50,000	50,905
Cash and bank balances	7	160,411,834	163,602,481
		316,902,765	204,103,011
Less: Current liabilities			
Trade and other payables	8	(130,272,758)	(73,822,457)
Net current assets		186,630,007	130,280,554
NET ASSETS		<u>187,015,547</u>	<u>130,729,507</u>
REPRESENTED BY:			
General reserve	9	484,634	954,393
Restricted funds	10	186,530,913	129,775,114
		<u>187,015,547</u>	<u>130,729,507</u>

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


President


Finance Secretary


ANJUMAN BEHBOOD - E - MARIZAN
(Patients' Welfare Society - INMOL)

**INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2022**

	Note	30 / June / 22 Rupees	30 / June / 21 Rupees
INCOME			
Revenue from sale of medicines	11	83,955,765	52,381,324
Charity and donation	12	119,980,169	135,488,453
Other income	13	1,527,769	1,754,424
		205,463,703	189,624,201
EXPENDITURE			
Project expenses	14	119,980,169	135,488,453
Administrative and general expenses	15	17,730,329	16,081,572
		137,710,498	151,570,025
		67,753,205	38,054,176
Surplus for the year before tax		-	-
Tax		67,753,205	38,054,176
Surplus for the year after tax			
		67,753,205	38,054,176
Surplus for the year before appropriation		(67,753,205)	(38,054,176)
Less: Surplus allocated to restricted funds		-	-
Surplus for the year before appropriation			

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


President


Finance Secretary

ANJUMAN BEHBOOD - E - MARIZAN
(Patients' Welfare Society - INMOL)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022

	30 / June / 22 Rupees	30 / June / 21 Rupees
A) CASH FLOWS FROM OPERATING ACTIVITIES		
Amount collected from sale of medicines	571,771,327	400,671,445
Grants received during the year	108,982,763	114,881,361
Return on bank deposits	1,525,269	1,749,224
Membership fee received	2,500	5,200
Payment of project expenses	(122,284,618)	(144,667,855)
Payment for medicines	(545,803,828)	(352,751,493)
Payment of administrative expenses	(17,384,060)	(15,580,909)
Net cash used in operating activities	(3,190,647)	4,306,973
B) CASH FLOWS FROM INVESTING ACTIVITIES	-	-
C) CASH FLOWS FROM FINANCING ACTIVITIES	-	-
NET DECREASE IN CASH AND CASH EQUIVALENTS (A + B + C)	(3,190,647)	4,306,973
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	163,602,481	159,295,508
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	160,411,834	163,602,481

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


President


Finance Secretary

ANJUMAN BEHBOOD - E - MARIZAN

(Patients' Welfare Society - INMOL)

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

1 SOCIETY AND ITS OPERATIONS

Anjuman Behbood-e-Marizan (Regd.) "Patients Welfare Society - INMOL" was registered on 25 August 1985 under registration certificate No. DDSW/85-121 issued by the Directorate of Social Welfare Government of Punjab. The Society raises its funds through receipts of zakat, donations from general public. The Society supplies medicines, food and provides the facility of laboratory tests and blood bank. The deserving patients are provided medicines and laboratory facilities at subsidized rates and also free of cost. The food (three times a day) is provided free of cost to all the indoor patients.

1.1 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

-Accounting and financial reporting standards for non-profit / government organizations (AFRS for NPOs / NGOs) issued by the Institute of Chartered Accountants of Pakistan (ICAP).

2 ACCOUNTING POLICIES

2.1 Accounting convention

These accounts have been prepared under historical cost convention.

2.2 Fixed assets

Operating fixed assets are stated at cost less accumulated depreciation and impairment in value, if any. Cost also includes borrowing costs wherever applicable.

Depreciation is charged to profit and loss account applying the reducing balance method over its estimated useful life at the rates specified in note 3 to the financial statements. Depreciation on additions to operating fixed assets is charged from the month in which they are available for use while no depreciation is charged for the month in which operating fixed asset is disposed off. The useful lives and depreciation methods are reviewed on periodic intervals to ensure that the methods and period of depreciation charged during the year are consistent with the expected pattern of economic benefits from items of operating fixed asset.

Gains or losses on disposal of operating fixed asset, if any, are recognized in the income of the relevant year, as and when incurred.

2.3 Taxation

The Commissioner of Inland Revenue, Legal Division, Corporate Tax Office, Lahore dated 30 June 2021 has granted exemption from income tax to the Society under section 2(36)(c) of Income Tax Ordinance 2001, read with Rule 212(1) of the Income Tax Rules 2002 and hence no provision is made for the income tax.

2.4 Inventories

All inventories are stated at lower of cost and estimated net realizable value. Basis of valuation is FIFO method.

The cost of inventories shall comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

2.5 Income

Sales of medicines are recognized when the medicines are delivered to the patients and other income is recognized on receipt basis.

2.6 Advances and other receivables

These are recognized initially at fair value and subsequently measured at amortized cost less any identifiable impairment loss.

2.7 Restricted funds

Restricted funds received for specific purposes are deferred when received and charged to income to the extent of actual expenditure incurred. Unspent portion of such grants are reflected as restricted grants in the statement of financial position. The net income from other sources are appropriated to restricted funds at end of the year.

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ANJUMAN BEHBOOD - E - MARIZAN
(Patients' Welfare Society - INMOL)

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

3 OPERATING FIXED ASSETS

Particulars	Cost			Accumulated depreciation			Book value	Annual rate of depreciation % age
	As at beginning of the year	Addition / (Disposals) for the year	As at end of the year	As at beginning of the year	Charge for the year	As at end of the year	As at end of the year	
				Rupees				
Reconciliation of carrying values at end of the year - as at 30 June 2022								
Buildings (①)	573,657	-	573,657	438,609	13,505	452,114	121,543	10
Furniture and fixtures	61,193	-	61,193	57,093	615	57,708	3,485	15
ECG Machines	26,812	-	26,812	26,720	14	26,734	78	15
Laboratory equipment	4,863,587	-	4,863,587	4,593,617	40,496	4,634,113	229,474	15
Electric dryer	18,000	-	18,000	16,607	209	16,816	1,184	15
Water coolers	14,500	-	14,500	13,889	92	13,981	519	15
Air conditioners	174,866	-	174,866	155,935	2,840	158,775	16,091	15
Computers and accessories	240,418	-	240,418	221,610	5,642	227,252	13,166	30
Total - 30 June 2022	5,973,033	-	5,973,033	5,524,080	63,413	5,587,493	385,540	
Reconciliation of carrying values at beginning of the year - as at 30 June 2021								
Buildings (①)	573,657	-	573,657	423,604	15,005	438,609	135,048	10
Furniture and fixtures	61,193	-	61,193	56,370	723	57,093	4,100	15
ECG Machines	26,812	-	26,812	26,704	16	26,720	92	15
Laboratory equipment	4,863,587	-	4,863,587	4,545,975	47,642	4,593,617	269,970	15
Electric dryer	18,000	-	18,000	16,361	246	16,607	1,393	15
Water coolers	14,500	-	14,500	13,781	108	13,889	611	15
Air conditioners	174,866	-	174,866	152,594	3,341	155,935	18,931	15
Computers and accessories	240,418	-	240,418	213,550	8,060	221,610	18,808	30
Total - 30 June 2021	5,973,033	-	5,973,033	5,448,939	75,141	5,524,080	448,953	

(①) It represents office building and medical pharmacy, constructed on the property of INMOL Hospital, Lahore provided by the Hospital free of charge.

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ANJUMAN BEHBOOD - E - MARIZAN
(Patients' Welfare Society - INMOL)

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

	30 / June / 22 Rupees	30 / June / 21 Rupees
4 INVENTORY		
Medicines	51,245,454	31,264,962
5 TRADE DEBTS		
Local - unsecured but considered good		
- INMOL Hospital	1,937,424	858,571
- Pakistan Telecommunication Limited	2,888,260	1,417,222
- State Life Insurance Corporation of Pakistan	100,359,602	6,459,484
- PAEC - Mineral Centre	-	19,230
- Donner Kind Heart	-	430,156
- Abdul Aleen Khan Foundation	10,191	-
	105,195,477	9,184,663
6 ADVANCES		
Advance against expenses - note 6.1	50,000	50,000
Suppliers	-	905
	50,000	50,905
6.1 These are given to meet business expenses and are settled when expenses are incurred.		
7 CASH AND BANK BALANCES	318,823	108,119
In hand		
With banks		
- On current accounts	110,643,825	117,284,642
- On saving accounts	49,449,186	46,209,720
	160,093,011	163,494,362
	160,411,834	163,602,481
8 TRADE AND OTHER PAYABLES		
Trade creditors	107,255,484	49,253,349
Advance received for treatment of needy patient - note 8.1	18,576,267	20,410,957
Accrued expenses and other payable	4,441,007	4,158,151
	130,272,758	73,822,457
8.1 Advance received for treatment of needy patient		
Chief Minister Punjab, Secretariat	10,554,779	12,605,602
Abdul Aleen Khan Foundation	-	19,809
Various welfare organization	8,021,487	7,785,545
	18,576,267	20,410,957
9.1.1 These represent amount received for the treatment of their patients. These balances will be adjusted against medical treatment expense of their patient when these will be		
9 GENERAL RESERVE		
At beginning of the year	954,393	1,153,881
Add: Addition during the year	1,045,689	286,512
Less: Adjusted during the year	(1,515,448)	(486,000)
At end of the year	484,634	954,393

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ANJUMAN BEHBOOD - E - MARIZAN
(Patients' Welfare Society - INMOL)

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

10 RESTRICTED FUNDS

PARTICULARS	30 / Jun / 2022					30 / Jun / 2021				
	At beginning of the year	Add: Grants received during the year	Less: Income recognized during the year	Add: Allocation of surplus for the year	At end of the year	At beginning of the year	Add: Grants received during the year	Less: Income recognized during the year	Add: Allocation of surplus for the year	At end of the year
					Rupees					
Donation / medicines	46,844,454	30,256,790	35,746,376	10,000,000	51,354,868	49,479,418	44,130,917	53,765,881	7,000,000	46,844,454
Zakat	9,815,196	25,367,638	26,060,836	-	9,121,998	9,084,004	25,815,373	25,084,181	-	9,815,196
Leukemia	15,848,680	4,878,250	12,883,601	10,000,000	17,843,329	18,091,813	4,339,168	13,582,301	7,000,000	15,848,680
RIA laboratory	53,200	-	-	-	53,200	53,200	-	-	-	53,200
Radiation	4,272,169	2,082,550	4,030,550	3,500,000	5,824,169	4,331,919	2,713,600	5,273,350	2,500,000	4,272,169
Pain management	791,748	662,000	651,301	600,000	1,302,447	424,098	827,000	459,350	-	791,748
Rehabilitation	1,422,285	2,528,525	2,279,495	-	1,671,315	2,397,881	1,576,429	2,552,025	-	1,422,285
Pet scanning	4,969,561	3,350,300	6,990,000	3,500,000	4,829,861	4,967,061	3,780,500	6,278,000	2,500,000	4,969,561
Blood bank	1,769	-	-	-	1,769	2,769	-	1,000	-	1,769
MRI machine	50,000	-	-	-	50,000	50,000	-	-	-	50,000
Ward fund	5,676	-	-	-	5,676	5,676	-	-	-	5,676
Food	6,832,689	2,463,920	4,486,807	10,000,000	14,809,802	7,002,261	2,809,000	3,178,572	200,000	6,832,689
INMOL development	14,946,156	6,868,428	17,612,358	20,000,000	24,202,226	16,331,834	8,581,529	24,967,207	15,000,000	14,946,156
Funerals	27,500	-	-	-	27,500	27,500	-	-	-	27,500
Qarz-e-hasna	14,000	128,000	111,000	-	31,000	52,000	74,000	112,000	-	14,000
Masjid at INMOL	3,596	48,730	44,180	-	8,146	26,596	21,930	44,930	-	3,596
Hospice fund	23,790,594	30,081,862	8,973,665	7,753,205	52,651,996	-	20,126,074	189,656	3,854,176	23,790,594
IT fund	-	-	-	2,500,000	2,500,000	-	-	-	-	-
INMOL Employees Farewell Fund	85,841	285,770	110,000	-	241,611	-	85,841	-	-	85,841
	129,775,114	108,982,763	119,980,169	67,753,205	186,530,913	112,328,030	114,881,361	135,488,453	38,054,176	129,775,114

10.1 Income generated from sale of medicines and other income is appropriated to restricted fund by management.

ANJUMAN BEHBOOD - E - MARIZAN
(Patients' Welfare Society - INMOL)

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

	30 / June / 22 Rupees	30 / June / 21 Rupees
11 REVENUE FROM SALE OF MEDICINES		
Sale of medicines	667,782,141	408,055,348
Less: Cost of medicines	(583,826,376)	(355,674,024)
	<u>83,955,765</u>	<u>52,381,324</u>
11.1 Cost of medicines		
Opening inventory of medicines	31,264,962	33,969,603
Add: Medicines purchased during the year (net)	603,806,868	352,969,383
Inventory available for sale	635,071,830	386,938,986
Less: Closing inventory of medicines	(51,245,454)	(31,264,962)
	<u>583,826,376</u>	<u>355,674,024</u>
12 CHARITY AND DONATION		
Donation and medicines	35,746,376	53,765,881
Zakat	26,060,836	25,084,181
Other donations and charities	58,172,957	56,638,391
	<u>119,980,169</u>	<u>135,488,453</u>
12.1 Other donations and charities		
<i>- for usage of medical and related accounts</i>		
Leukemia	12,883,601	13,582,301
Radiation	4,030,550	5,273,350
Pain management	651,301	459,350
Rehabilitation	2,279,495	2,552,025
Pet scanning	6,990,000	6,278,000
Hospice and blood bank	8,973,665	190,656
	<u>35,808,612</u>	<u>28,335,682</u>
<i>-for other usage</i>		
Food	4,486,807	3,178,572
Development of INMOL	17,612,358	24,967,207
Qarz-e-Hasna	111,000	112,000
Masjid	44,180	44,930
INMOL Employees Farewell Fund	110,000	-
	<u>22,364,345</u>	<u>28,302,709</u>
	<u>58,172,957</u>	<u>56,638,391</u>
13 OTHER INCOME		
Membership fee	2,500	5,200
Return on deposits with banks	1,525,269	1,749,224
	<u>1,527,769</u>	<u>1,754,424</u>
13.1	It carries mark-up at the rate ranging from 2.50% to 5.20% per annum (2021: 2.90% to 5.45%).	

ANJUMAN BEHBOOD - E - MARIZAN
(Patients' Welfare Society - INMOL)

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

	30 / June / 22 Rupees	30 / June / 21 Rupees
14 PROJECT EXPENSES		
- for usage of medical and related accounts		
Leukemia	12,883,601	13,582,301
Radiation	4,030,550	5,273,350
Pain management	651,301	459,350
Rehabilitation	2,279,495	2,552,025
Pet scanning	6,990,000	6,278,000
Rent of hospice unit and blood bank	8,973,665	190,656
	35,808,612	28,335,682
- for other usage		
Donation and medicines	35,746,376	53,765,881
Zakat paid to poor and needy	26,060,836	25,084,181
Food for patients	4,486,807	3,178,572
Development of INMOL hospital	17,612,358	24,967,207
Qarz-e-Hasna	111,000	112,000
Repair and maintenance of INMOL Masjid	44,180	44,930
INMOL Employees Farewell Fund	110,000	-
	84,171,557	107,152,771
	119,980,169	135,488,453
15 ADMINISTRATIVE AND GENERAL EXPENSES		
Salaries and allowance	16,928,442	14,874,711
Printing and stationery	116,737	126,385
Packing material	4,300	31,260
Legal and professional expenses	19,250	540,000
Auditors' remuneration	65,000	60,000
Depreciation on operating fixed assets	63,413	75,141
Bank charges	6,300	2,450
Other miscellaneous expenses	526,887	371,625
	17,730,329	16,081,572

16 RECLASSIFICATIONS AND RE-ARRANGEMENTS

Corresponding figures have been re-classified and re-arranged, wherever necessary, to reflect more appropriate presentation of events and transactions for the purpose of comparison. However, no significant re-classification and re-arrangements are made in the financial statements of the Society.

17 DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been approved by trustees and authorized for issue on

12 SEP 2022

[Signature]
President

[Signature]
Finance Secretary