



**The Patients' Behbud
Society for AKUH**

Financial Statements for the year ended December 31, 2013



A.F. FERGUSON & CO.
Chartered Accountants
a member firm of the PwC network



The Executive Committee
The Patients' Behbud Society for AKUH
Stadium Road
P.O. Box 3500
Karachi.

April 9, 2014

A 0765

Dear Sirs,

**THE PATIENTS' BEHBUD SOCIETY FOR AKUH
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013**

We enclose five copies of the financial statements of the Patients' Behbud Society for AKUH (the Society) for the year ended December 31, 2013 with our draft audit report thereon initialed by us for identification purposes only, which we shall be pleased to sign in its present or amended form after.

- a) these financial statements have been approved by the Executive Committee (the Committee) and are signed by the Chairman and the Secretary of the Society;
- b) we have received a representation letter duly signed by the Chairman and the Secretary of the Society, a draft of which has already been provided to the management of the Society; and
- c) we have received the final draft of 'other information' to be printed in the annual report of the Society to consider whether it, including the manner of its presentation, is materially consistent with information appearing in the enclosed financial statements.

During our examination of the enclosed financial statements of the society for the year ended December 31, 2013, we have noted a certain matter, which is set forth in paragraph 3 below, which we believe warrants your attention. The matters set forth below cannot therefore be expected to include all possible issues, which a more extensive special examination may have revealed.

2. RESPONSIBILITIES OF THE AUDITORS AND THE MANAGEMENT IN RELATION TO THE FINANCIAL STATEMENTS

The responsibilities of the independent auditors, in a usual examination of financial statements, are explained in the International Standard on Auditing 200 "Overall objectives of the Independent Auditor and the conduct of an audit in accordance with International Standards on Auditing." While the auditors are responsible for forming and expressing their opinion on the financial statements, the responsibility for the preparation of the financial statements is primarily of the Society's management.

af

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
State Life Building No. 1-C, I.I. Chundrigar Road, P.O. Box 4716, Karachi-7400, Pakistan
Tel: +92 (21) 32426682-6/324267115; Fax: +92 (21) 32415007/32427938/32424740; <www.pwc.com/pk>

Lahore: 23-C, Aziz Avenue, Canal Bank, Gulberg V, P.O. Box 39, Lahore-54600, Pakistan; Tel: +92 (42) 35715864-71; Fax: +92 (42) 35715872
Islamabad: PIA Building, 3rd Floor, 49 Blue Area, Fazl-ul-Haq Road, P.O. Box 3021, Islamabad-44000, Pakistan; Tel: +92 (51) 2273457-60; Fax: +92 (51) 2277924
Kabul: Apartment No. 3, 3rd Floor, Dost Tower, Haji Yaqub Square, Sher-e-Nau, Kabul, Afghanistan; Tel: +93 (779) 315320, +93 (799) 315320



A. F. FERGUSON & CO.

The management's responsibilities include the maintenance of adequate accounting records and internal controls, the selection and application of accounting policies, safeguarding of assets of the Society, and prevention and detection of frauds and irregularities. The audit of the financial statements does not relieve the management of its responsibilities. Accordingly, our examination of the books of, accounts and records should not be relied upon to disclose all the errors or irregularities in relation to the financial statements.

We would like to advise you that unless we have signed the auditors' report on the enclosed financial statements the same shall remain and deemed to be unaudited.

3. COMPLETENESS OF ZAKAT

In any organization which receives donations (zakat) from its well wishers, an inherent risk exists, where by the completeness of the donations received in cash cannot always be ensured. In these circumstances, consistent with prior years, we have relied on the management's assertions as to the completeness of zakat received in cash.

We wish to place on record our appreciation of the courtesy and cooperation extended to us during the course of our audit.

Yours truly

A handwritten signature in dark ink, appearing to read "A. F. Ferguson" followed by a flourish or initials.

encls

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

We have audited the annexed statement of financial position of the Patients' Behbud Society for AKUH (the Society) as at December 31, 2013 and the related statement of comprehensive income and statement of cash flows together with the notes forming part thereof (hereinafter referred to as 'the financial statements') for the year then ended.

Management's Responsibility

Management is responsible for the preparation of the financial statements in accordance with the basis of preparation stated in note 2.1 to the financial statements and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

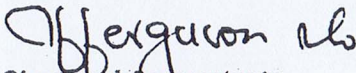
Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with the International Standards on Auditing as applicable in Pakistan. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by trustees', as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly in all material respects, the financial position of the Patients' Behbud Society for AKUH as at December 31, 2013 and of its financial performance and cash flows for the year then ended in accordance with the basis of preparation stated in note 2.1 to the financial statements.



Chartered Accountants
Karachi, May 8, 2014

Audit Engagement Partner: Khurshid Hasan

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
State Life Building No. 1-C, I.I. Chundrigar Road, P.O. Box 4716, Karachi-7400, Pakistan
Tel: +92 (21) 32426682-6/324267115; Fax: +92 (21) 32415007/32427938/32424740; <www.pwc.com/pk>

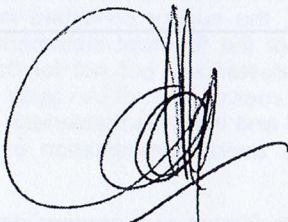
Lahore: 23-C, Aziz Avenue, Canal Bank, Gulberg V, P.O. Box 39, Lahore-54600, Pakistan; Tel: +92 (42) 35715864-71; Fax: +92 (42) 35715872
Islamabad: PIA Bulding, 3rd Floor, 49 Blue Area, Faz-ul-Haq Road, P.O. Box 3021, Islamabad-44000, Pakistan; Tel: +92 (51) 2273457-60; Fax: +92 (51) 2277924
Kabul: Apartment No. 3, 3rd Floor, Dost Tower, Haji Yaqub Square, Sher-e-Nau, Kabul, Afghanistan; Tel: +93 (779) 315320, +93 (799) 315320

THE PATIENTS' BEHBUD SOCIETY FOR AKUH
 STATEMENT OF FINANCIAL POSITION
 AS AT DECEMBER 31, 2013

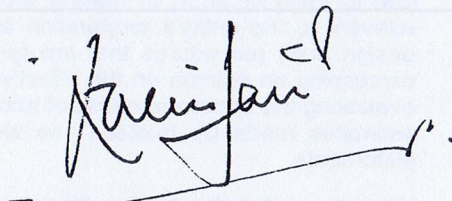
	Note	2013 Rs. '000	2012 Rs. '000
ZAKAT FUND ACCOUNT	3	123,432	72,124
GENERAL FUND ACCOUNT	4	512	439
		<u>123,944</u>	<u>72,563</u>
CURRENT ASSETS			
Cash and bank balances	5	123,145	72,244
Accrued interest		799	319
		<u>123,944</u>	<u>72,563</u>

The annexed notes from 1 to 7 form an integral part of these financial statements.

06



Chairman



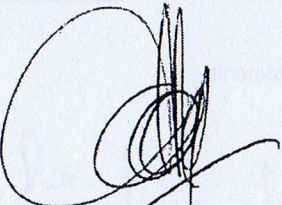
Secretary

**THE PATIENTS' BEHBUD SOCIETY FOR AKUH
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2013**

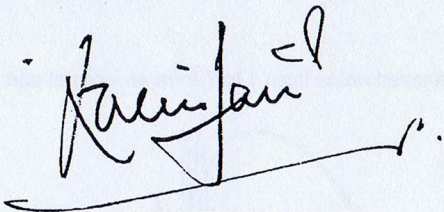
	Note	2013 Rs. '000	2012 Rs. '000
INCOME			
Profit on Islamic bank accounts		7,817	6,455
Profit on PLS bank accounts		73	10
Donation		5,000	1,100
Total Income		<u>12,890</u>	<u>7,565</u>
EXPENDITURE			
General and administrative expenses	6	<u>5,091</u>	<u>717</u>
Surplus for the year		<u>7,799</u>	<u>6,848</u>
Transferred to:			
Zakat fund account		7,726	6,432
General fund account		73	416
Surplus for the year		<u>7,799</u>	<u>6,848</u>

The annexed notes from 1 to 7 form an integral part of these financial statements.

066



Chairman

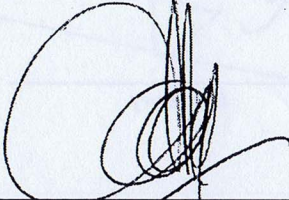


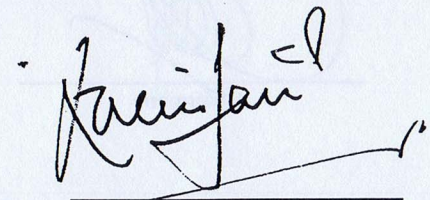
Secretary

THE PATIENTS' BEHBUD SOCIETY FOR AKUH
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2013

	Note	2013	2012
		Rs. '000	Rs. '000
CASH INFLOWS			
Zakat Collected		129,058	91,521
Profit on saving bank accounts received		7,410	6,474
Donation		5,000	1,100
Total inflow during the year		141,468	99,095
CASH OUTFLOWS			
Zakat disbursed		(85,476)	(81,578)
General and administrative expenses		(5,091)	(717)
Total outflow during the year		(90,567)	(82,295)
Net increase in cash and bank balances		50,901	16,800
Cash and bank balances at the beginning of the year		72,244	55,444
Cash and bank balances at the end of the year	5	123,145	72,244

The annexed notes from 1 to 7 form an integral part of these financial statements.

06

 Chairman


 Secretary

**THE PATIENTS' BEHBUD SOCIETY FOR AKUH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013**

1. LEGAL STATUS AND PRINCIPAL ACTIVITY

The Patients' Behbud Society for AKUH (the Society) was established by well wishers of the Aga Khan University Hospital (the Hospital) under a constitution dated June 22, 1993 (the Constitution) for supporting needy patients seeking treatment at the Hospital through Zakat funds available with the Society. The Society is registered under the Voluntary Social Welfare Agencies (Registration and Control) Ordinance, 1961 (XLVI of 1961) since August 23, 1993. The principal office of the Society is situated at the Hospital, Stadium Road, P.O. Box 3500, Karachi 74800.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

These financial statements have been prepared in accordance with the constitution and the directions of the Executive Committee of the Society.

2.2 Accounting convention

These financial statements have been prepared under the historical cost convention.

2.3 Zakat

Zakat is recognised on receipt basis.

2.4 Revenue recognition

Profit on saving bank accounts is recognised on an accrual basis.

2.5 Disbursements

Disbursements are recognised as commitments when these are approved by the Committee. Subsequent to approval, these amounts are paid to the Hospital on behalf of Mustahiqeen patients.

	2013 Rs. '000	2012 Rs. '000
3. ZAKAT FUND ACCOUNT		
Balance as at January 1	72,124	55,749
Zakat collected during the year	129,058	91,521
Surplus during the year	7,726	6,432
	208,908	153,702
Zakat disbursed during the period	(85,476)	(81,578)
Balance as at December 31	123,432	72,124
4. GENERAL FUND ACCOUNT		
Balance as at January 1	439	23
Surplus during the year	73	416
Balance as at December 31	512	439

06

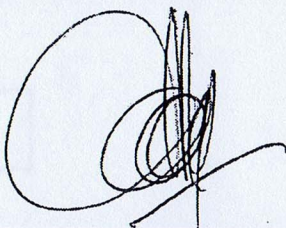
THE PATIENTS' BEHBUD SOCIETY FOR AKUH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2013

	2013	2012
	Rs. '000	Rs. '000
5. CASH AND BANK BALANCES		
Saving Accounts		
PLS account	514	441
Islamic account	122,167	71,675
	122,681	72,116
Current accounts	464	128
	<u>123,145</u>	<u>72,244</u>
6. GENERAL AND ADMINISTRATIVE EXPENSES		
Advertisement for Zakat campaign	4,329	290
Published and printed material	485	404
Courier	186	-
Professional fee	67	-
Bank charges	21	19
Others	3	4
	<u>5,091</u>	<u>717</u>

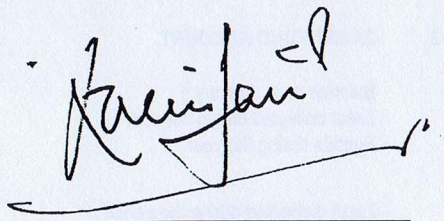
7. DATE OF AUTHORISATION

These financial statements were approved and authorised for issue on May 5, 2014 by the Executive Committee.

06



Chairman



Secretary



The Patients' Behbud Society for AKUH
Aga Khan University, Stadium Road, Karachi
Tel: +92 21 3486 3000
Cell: +92 300 0723000