



THE PATIENTS' BEHBUD SOCIETY FOR AKUH

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014**

These financial statements were prepared and have been signed by the

members of the Society, a division of the Society, and

approved the final draft of the financial statements in accordance with the

provisions of the

PROVISIONS OF THE FINANCIAL STATEMENTS

of the



A. F. FERGUSON & CO.

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

April 8, 2015

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Dear Sirs

**THE PATIENTS' BEHBUD SOCIETY FOR AKUH
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014**

We enclose five copies of the financial statements of the Patients' Behbud Society for AKUH (the Society) for the year ended December 31, 2014 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 have been 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.

We have set forth a matter in paragraph 3 below for your attention which was noted during our examination of the enclosed financial statements. A more extensive special examination may have revealed other matters.

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 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 that of the Society's management. The management's

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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.

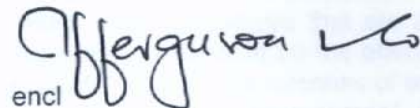
3. COMPLETENESS OF ZAKAT

In any organization which receives donations (zakat) from its well wishers, an inherent risk exists, whereby 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.

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

Yours truly

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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, 2014 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 management, 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, 2014 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 22, 2015

Audit Engagement Partner: Khurshid Hasan

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THE PATIENTS' BEHBUD SOCIETY FOR AKUH
 STATEMENT OF FINANCIAL POSITION
 AS AT DECEMBER 31, 2014

	Note	2014 Rs. '000	2013 Rs. '000
ZAKAT FUND ACCOUNT	3	116,917	123,432
GENERAL FUND ACCOUNT	4	781	512
		<u>117,698</u>	<u>123,944</u>
CURRENT ASSETS			
Cash and bank balances	5	116,788	123,145
Accrued interest		910	799
		<u>117,698</u>	<u>123,944</u>

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

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Chairman

Secretary

THE PATIENTS' BEHBUD SOCIETY FOR AKUH
 STATEMENT OF COMPREHENSIVE INCOME
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Note	2014 Rs. '000	2013 Rs. '000
INCOME			
Return on Islamic bank accounts		9,910	7,817
Return on PLS bank account		269	73
Donation		5,000	5,000
Total Income		<u>15,179</u>	<u>12,890</u>
EXPENDITURE			
Total general and administrative expenses	6	<u>5,165</u>	<u>5,091</u>
Surplus for the year		<u><u>10,014</u></u>	<u><u>7,799</u></u>
Transferred to:			
Zakat fund account		9,745	7,726
General fund account		269	73
		<u>10,014</u>	<u>7,799</u>

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

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Chairman



Secretary

THE PATIENTS' BEHBUD SOCIETY FOR AKUH
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Note	2014 Rs. '000	2013 Rs. '000
CASH INFLOWS			
Zakat collected		108,096	129,058
Return on saving bank accounts received		10,068	7,410
Donation		5,000	5,000
Total inflow during the year		123,164	141,468
CASH OUTFLOWS			
Zakat disbursed		(124,356)	(85,476)
General and administrative expenses		(5,165)	(5,091)
Total outflow during the year		(129,521)	(90,567)
Net (decrease) / increase in cash and bank balances		(6,357)	50,901
Cash and bank balances at the beginning of the year		123,145	72,244
Cash and bank balances at the end of the year	5	<u>116,788</u>	<u>123,145</u>

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

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Chairman

Secretary

**THE PATIENTS' BEHBUD SOCIETY FOR AKUH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014**

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

Return 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.

	2014	2013
	Rs. '000	Rs. '000
3. ZAKAT FUND ACCOUNT		
Balance as at January 1	123,432	72,124
Zakat collected during the year	108,096	129,058
Surplus during the year	9,745	7,726
	241,273	208,908
Zakat disbursed during the period	(124,356)	(85,476)
Balance as at December 31	<u>116,917</u>	<u>123,432</u>
4. GENERAL FUND ACCOUNT		
Balance as at January 1	512	439
Surplus during the year	269	73
Balance as at December 31	<u>781</u>	<u>512</u>

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THE PATIENTS' BEHBUD SOCIETY FOR AKUH
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2014

	2014	2013
	Rs. '000	Rs. '000
5. CASH AND BANK BALANCES		
Saving accounts		
PLS account	783	514
Islamic accounts	115,704	122,167
	116,487	122,681
Current accounts	301	464
	<u>116,788</u>	<u>123,145</u>

6. GENERAL AND ADMINISTRATIVE EXPENSES

Advertisement for Zakat campaign	5,000	4,329
Published and printed material	-	485
Courier	-	186
Professional fee	136	67
Bank charges	29	24
	<u>5,165</u>	<u>5,091</u>

7. DATE OF AUTHORISATION

These financial statements were approved and authorised for issue on _____ by the Executive Committee.

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Chairman



Secretary