

THE PATIENTS' BEHBUD SOCIETY FOR AKUH
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

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





A. F. FERGUSON & CO.

The Executive Committee
The Patients' Behbud Society for AKUH
Stadium Road
P.O. Box 3500
Karachi - 74800

March 28, 2012

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Dear Sirs

**THE PATIENTS' BEHBUD SOCIETY FOR AKUH
FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2011**

We enclose five copies of the financial statements of the Patients' Behbud Society for AKUH (the Society) for the year ended December 31, 2011 with our draft report thereon initialled by us for identification purposes only, which we shall be pleased to sign in the 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 has highlighted a matter which is set forth in paragraph 3 below. The matter reported in this paragraph came to our knowledge during the conduct of our normal audit procedures which were designed primarily with a view to enable us to express our opinion on the enclosed financial statements. There could have been other reportable matters in addition to the matter reported in paragraph 3 below if a more extensive special examination would have been undertaken.

**2. RESPONSIBILITIES OF THE AUDITORS AND THE EXECUTIVE COMMITTEE 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 in accordance with

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applicable financial reporting framework, which includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of financial statements that are free from material misstatement, whether due to fraud or error. The management's responsibilities include to provide the auditor with (i) all information, such as records and documentation, and other matters that are relevant to the preparation and presentation of the financial statements; (ii) any additional information that the auditor may request from management and, where appropriate, those charged with governance; and (iii) unrestricted access to those within the entity from whom the auditor determines it necessary to obtain audit evidence. 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. 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.

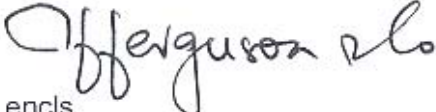
3. COMPLETENESS OF ZAKAT

In any organisation 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 by the Society's personnel during the course of the audit.

Yours truly


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AUDITOR'S REPORT TO THE MEMBERS

We have audited the annexed statement of financial position of The Patients' Behbud Society for AKUH as at December 31, 2011 and the related statement of comprehensive income and statement of cash flows together with the notes forming part thereof (here-in-after referred to as the financial statements) for the year then ended. It is the responsibility of the Society's management to establish and maintain a system of internal control, and prepare and present the financial statements in accordance with the basis of preparation as stated in note 2.1 to the enclosed financial statements. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting policies used and the significant estimates made by the Society's management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our 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, 2011 and of its surplus and cash flow for the year then ended in accordance with the basis of preparation as stated in note 2.1 to the enclosed financial statements.


Chartered Accountants
Karachi, April 20, 2012

Audit Engagement Partner: Khurshid Hasan

THE PATIENTS' BEHBUD SOCIETY FOR AKUH
 STATEMENT OF FINANCIAL POSITION
 AS AT DECEMBER 31, 2011

	Note	2011 Rs. '000	2010 Rs. '000
ZAKAT FUND ACCOUNT	3	55,749	32,141
GENERAL FUND ACCOUNT	4	23	20,291
		<u>55,772</u>	<u>52,432</u>
CURRENT ASSETS			
Cash and bank balances	5	55,444	52,155
Accrued interest		328	277
		<u>55,772</u>	<u>52,432</u>

The annexed notes from 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, 2011

	Note	2011 Rs. '000	2010 Rs. '000
INCOME			
Return on Islamic bank accounts		5,501	7,741
Return on profit and loss sharing bank accounts		53	76
Total return on bank accounts		<u>5,554</u>	<u>7,817</u>
EXPENDITURE			
General and administrative expenses	6	<u>1,208</u>	<u>2,208</u>
Surplus for the year		<u><u>4,346</u></u>	<u><u>5,609</u></u>
Transferred to:			
Zakat Fund Account		5,472	-
General Fund Account		(1,126)	5,609
Surplus for the year		<u><u>4,346</u></u>	<u><u>5,609</u></u>

The annexed notes from 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, 2011

	Note	2011 Rs. '000	2010 Rs. '000
CASH INFLOWS			
Zakat collected		72,314	59,013
Return on saving bank accounts received		5,503	7,540
Total inflow during the year		77,817	66,553
CASH OUTFLOWS			
Zakat disbursed		(73,320)	(92,790)
General and administrative expenses		(1,208)	(2,208)
Total outflow during the year		(74,528)	(94,998)
Net increase / (decrease) in cash and bank balances		3,289	(28,445)
Cash and bank balances at the beginning of the year		52,155	80,600
Cash and bank balances at the end of the year	5	55,444	52,155

The annexed notes from 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, 2011

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.

	2011	2010
	Rs. '000	Rs. '000
3. ZAKAT FUND ACCOUNT		
Balance as at January 1	32,141	65,918
Zakat collected during the year	72,314	59,013
Surplus during the year	5,472	-
Transferred from General Fund	19,142	-
	129,069	124,931
Zakat disbursed during the period	(73,320)	(92,790)
Balance as at December 31	<u>55,749</u>	<u>32,141</u>
4. GENERAL FUND ACCOUNT		
Balance as at January 1	20,291	14,682
(Deficit) / Surplus during the year	(1,126)	5,609
Transferred to Zakat Fund	(19,142)	-
Balance as at December 31	<u>23</u>	<u>20,291</u>

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THE PATIENTS' BEHBUD SOCIETY FOR AKUH
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2011

	2011 Rs. '000	2010 Rs. '000
5. CASH AND BANK BALANCES		
Saving accounts		
Profit and loss sharing account	24	1,150
Islamic account	55,157	49,116
	55,181	50,266
Current accounts	263	839
Cheques in hand	-	1,050
	<u>55,444</u>	<u>52,155</u>
6. GENERAL AND ADMINISTRATIVE EXPENSES		
Advertisement for Zakat campaign	888	1,815
Published and printed material	291	383
Bank charges	26	10
Others	3	-
	<u>1,208</u>	<u>2,208</u>


7. DATE OF AUTHORISATION

These financial statements have been approved by the Executive Committee on April 19th 2012.

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 Chairman



 Secretary