

FINANCIAL STATEMENTS
OF
LIVER FOUNDATION TRUST
FOR THE YEAR ENDED JUNE 30, 2024

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INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES

Opinion

We have audited the financial statements of Liver Foundation Trust (The trust), which comprise the statement of financial position as at June 30, 2024, the statement of income and expenditure, the statement of changes in fund and statement of cash flows for the year then ended, and notes to financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Liver Foundation Trust, as at June 30, 2024, and its financial performance, its cash flows and changes in fund for the year then ended in accordance with approved accounting and reporting standards as applicable in Pakistan.

Basis of 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 financial statements section of our report. We are independent of the trust, in accordance with the international ethics standard board for accountants' code of ethics for professional accountants as adopted by institute of chartered accountants of Pakistan (the code), and we have fulfilled our other ethical responsibilities in accordance with 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 Financial Statements

The trustees are responsible for the preparation and fair presentation of the financial statements in accordance with approved accounting and reporting standards as applicable in Pakistan and for such internal control as the trustees determine 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, trustees are responsible for assessing the trust's ability to continue as a going concern and using the going concern basis of accounting unless management either intends to liquidate the trust or to cease the operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the trust'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 high level of assurance, but it is not guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect 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 judgments 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 the 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, misrepresentation, 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 circumstances, but not for 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 audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cause significant doubt on the trust's ability to continue as 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 underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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.

Place: Faisalabad

Date: **30 NOV 2024**

UDIN: AR202410194UmPfe3iyA

Mr. Yousuf Adil
YOUSUF ADIL
CHARTERED ACCOUNTANTS
Engagement Partner - Hamid Masood



FAISALABAD MEDICAL CENTRE
A PROJECT OF LIVER FOUNDATION TRUST.

LIVER FOUNDATION TRUST
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2024

		2024	2023		2024	2023
	Note	Rupees	Rupees		Note	Rupees
FUNDS AND LIABILITIES				ASSETS		
				NON CURRENT ASSETS		
Specific fund				Fixed assets	6	172,299,492
Fixed assets fund		56,706,364	22,673,189			126,703,931
Fixed assets reserve fund	3	350,000,000	350,000,000			
Accumulated fund		180,182,359	134,805,757			
		586,888,723	507,478,946			
CURRENT LIABILITIES				CURRENT ASSETS		
Creditors, accrued and other liabilities	4	7,267,821	8,232,124	Stores	7	3,194,405
				Advances, prepayments and other receivable		3,947,242
				Income tax refund due from Government	7	9,305,348
				Cash and bank balances	8	10,181,756
						9,103,454
						4,751,966
						400,253,845
						370,126,175
						421,857,052
						389,007,135
CONTINGENCIES AND COMMITMENTS	5	-	-			
		594,156,544	515,711,070			594,156,544
						515,711,070

The annexed notes 1 to 15 form an Integral part of these financial statements.

CHAIRMAN

TRUSTEE

**LIVER FOUNDATION TRUST
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2024**

	Note	2024 Rupees	2023 Rupees
Liver Centre:			
Special collections		8,743,592	18,382,710
Operating expenses	9	<u>56,259,857</u>	<u>68,764,186</u>
Operating (deficit)		(47,516,265)	(50,381,476)
Other income	10	<u>88,461,696</u>	<u>57,984,999</u>
		40,945,431	7,603,523
Administrative expenses	11	5,770,237	5,309,289
Loss on disposal of fixed assets		<u>35,074,875</u>	<u>-</u>
		100,319	2,294,234
Donations	12	<u>14,827,572</u>	<u>6,716,671</u>
Surplus for the year		14,927,891	9,010,905
Mobile Healthcare Unit:			
Operating expenses	9	<u>756,264</u>	<u>977,648</u>
Surplus for the year before taxation		14,171,627	8,033,257
Provision for taxation	13	-	-
Surplus for the year		<u><u>14,171,627</u></u>	<u><u>8,033,257</u></u>

The annexed notes 1 to 15 form an integral part of these financial statements.



CHAIRMAN



TRUSTEE

**LIVER FOUNDATION TRUST
STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED JUNE 30, 2024**

	Specific funds		Accumulated fund	Total
	Fixed assets fund	Fixed asset reserves fund		
	----- Rupees -----			
Balance as at July 1, 2022	22,109,770	350,000,000	83,262,500	455,372,270
Funds received during the year	44,073,419	-	-	44,073,419
Funds utilized during the year	(43,510,000)	-	43,510,000	-
Surplus for the year	-	-	8,033,257	8,033,257
Balance as at June 30, 2023	<u>22,673,189</u>	<u>350,000,000</u>	<u>134,805,757</u>	<u>507,478,946</u>
Balance as at July 1, 2023	22,673,189	350,000,000	134,805,757	507,478,946
Funds received during the year	65,238,150	-	-	65,238,150
Funds utilized during the year	(31,204,975)	-	31,204,975	-
Surplus for the year	-	-	14,171,627	14,171,627
Balance as at June 30, 2024	<u>56,706,364</u>	<u>350,000,000</u>	<u>180,182,359</u>	<u>586,888,723</u>

The annexed notes 1 to 15 form an integral part of these financial statements.



CHAIRMAN



TRUSTEE

**LIVER FOUNDATION TRUST
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024**

	2024 Rupees	2023 Rupees
(a) CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus for the year before taxation	14,171,627	8,033,257
Adjustment for:		
Depreciation	7,863,180	5,738,701
Profit on deposit	(88,231,166)	(57,906,478)
Loss on disposal of fixed assets	35,074,875	-
Operating cash flows before working capital changes	<u>(31,121,484)</u>	<u>(44,134,520)</u>
Changes in working capital		
Decrease/ (Increase) in current assets		
Stores	752,837	(1,045,180)
Advances, prepayments and other receivable	<u>(2,195,915)</u>	<u>(3,738,240)</u>
	(1,443,078)	(4,783,420)
(Decrease) in current liabilities		
Creditors, accrued and other liabilities	<u>(964,303)</u>	<u>(2,890,971)</u>
	(964,303)	(2,890,971)
Cash (used in) operations	(33,528,865)	(51,808,911)
Income tax paid	(1,279,165)	(4,391,266)
Net cash (used in) operating activities	<u>(34,808,030)</u>	<u>(56,200,177)</u>
(b) CASH FLOWS FROM INVESTING ACTIVITIES		
Additions in fixed assets	(88,533,616)	(65,257,903)
Profit on deposit	88,231,166	57,906,478
Net cash (used in) investing activities	<u>(302,450)</u>	<u>(7,351,425)</u>
(c) CASH FLOWS FROM FINANCING ACTIVITIES		
Specific fund received	<u>65,238,150</u>	<u>44,073,419</u>
Net cash generated from financing activities	<u>65,238,150</u>	<u>44,073,419</u>
Net increase/ (decrease) in cash and cash equivalents (a+b+c)	30,127,670	(19,478,183)
Cash and cash equivalents at the beginning of the year	<u>370,126,175</u>	<u>389,604,358</u>
Cash and cash equivalents at the end of the year	<u><u>400,253,845</u></u>	<u><u>370,126,175</u></u>

The annexed notes 1 to 15 form an integral part of these financial statements.



CHAIRMAN



TRUSTEE

**LIVER FOUNDATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

1. STATUS AND ACTIVITIES

- 1.1** The Liver Foundation Trust (the Trust) is registered with the Sub Registrar Urban II in Faisalabad to serve the residents of Faisalabad and nearby localities. Currently, the Trust is managing the Liver Centre at Madina Garden, adjacent to the Punjab Government Servants Housing Society on Satiana Road, Faisalabad and a Mobile Health Care Unit.
- 1.2** The financial statements are presented in Pak Rupee, which is the Trust's functional and presentation currency.

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of International Financial Reporting Standards for Small and Medium Sized Entities issued by International Accounting Standards Board (IASB).

2.2 Accounting convention

These financial statements have been prepared under "historical cost convention" except donations in kind.

2.3 Payables

Liabilities for payables are carried at cost which is the fair value of the consideration to be paid in future for goods and services received, whether billed to the Trust or not.

2.4 Provisions

Provisions are recognised in the balance sheet when the Trust has a legal or constructive obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made as to the amount of obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

2.5 Provision for taxation

Provision for current taxation is based on income taxable at current tax rates after taking into account tax rebates and tax credits available under the law.

2.6 Fixed assets

Fixed assets are stated at cost less accumulated depreciation and impairment in value, if any.

Depreciation is charged to income applying the reducing balance method at the rates specified in the fixed assets note.

Depreciation on additions during the year is charged from the month in which an asset is acquired or capitalised, while no depreciation is charged for the month in which the asset is disposed off. The assets' residual values and useful lives are reviewed at each financial year end and adjusted if impact on depreciation is significant.

Maintenance and normal repairs are charged to income as and when incurred. Major renewals and improvements are capitalised.

Gains and losses on disposal of fixed assets are included in current income.

2.7 Other receivables

Other receivables are recognised at nominal amount which is fair value of the consideration to be received in future. Debts considered bad are written off when identified.

2.8 Stores

These are valued at cost. Cost is determined using First In First Out method.

2.9 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for services rendered in the normal course of business.

- Operational income is recognised on rendering of services.
- Profit on investments / bank deposits is recognised on time proportionate basis.

2.10 Donations in kind

Donations received in kind are accounted for at fair value.

2.11 Critical accounting estimates and judgments

The preparation of financial statements in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised.

Significant areas requiring the use of management estimates in these financial statements relate to the useful life of depreciable assets, provision for doubtful receivables and slow moving inventory. However, assumptions and judgments made by management in the application of accounting policies that have significant effect on the financial statements are not expected to result in material adjustment to the carrying amounts of assets and liabilities in the next year.

	Note	2024 Rupees	2023 Rupees
3. Specific funds			
Fixed assets fund	3.1	56,706,364	22,673,189
Fixed assets reserves fund	3.2	350,000,000	350,000,000
		<u>406,706,364</u>	<u>372,673,189</u>

3.1 It represents the restricted fund to be utilised for capital expenditure.

3.2 The Board of Trustees decided that out of restricted funds for fixed assets a balance of Rs. 350,000,000/- be appropriated to fixed asset reserves fund. The reserve shall remain invested as per decision of the board of trustees from time to time and unless the same is re-appropriated for utilization in making addition in fixed assets. Income from investment of reserve fund of Rs. 350,000,000/- will be utilized for the operational activities of the trust.

	2024 Rupees	2023 Rupees
4. Creditors, accrued and other liabilities		
Creditors	1,875,202	2,561,968
Accrued liabilities	2,537,540	984,786
Security deposits	2,826,862	4,677,675
Withholding tax	28,217	7,695
	<u>7,267,821</u>	<u>8,232,124</u>

5. CONTINGENCIES AND COMMITMENTS

5.1 Contingencies

There are no material contingencies and commitments existing as at reporting date. (2023: Nil)

	Note	2024 Rupees	2023 Rupees
6. Fixed assets			
Liver Centre			
Operating assets	6.1	144,992,112	45,899,554
Mobile Healthcare Unit			
Operating assets	6.3	1,153,217	1,564,474
Capital work in progress	6.5	26,154,163	79,239,903
		<u>172,299,492</u>	<u>126,703,931</u>

6.1 Operating assets - Liver Centre

	Land	Buildings	Furniture	Office equipment	Hospital and laboratory equipment	Electric installations	Vehicle	Sign/Bill board	Total
	Rupees								
At July 01, 2022									
Cost	-	38,345,830	4,475,720	1,285,233	66,064,087	15,363,653	16,290	-	125,550,813
Accumulated depreciation	-	(18,968,750)	(2,830,758)	(1,014,437)	(44,563,602)	(7,171,283)	(13,494)	-	(74,562,324)
Net book value	-	19,377,080	1,644,962	270,796	21,500,485	8,192,370	2,796	-	50,988,489
Year ended June 30, 2023									
Opening net book value	-	19,377,080	1,644,962	270,796	21,500,485	8,192,370	2,796	-	50,988,489
Additions	-	-	-	83,000	-	-	-	-	83,000
Depreciation charge	-	(1,937,708)	(164,496)	(101,989)	(2,147,946)	(819,237)	(559)	-	(5,171,935)
Closing net book value	-	17,439,372	1,480,466	251,807	19,352,539	7,373,133	2,237	-	45,899,554
At July 01, 2023									
Cost	-	38,345,830	4,475,720	1,368,233	66,064,087	15,363,653	16,290	-	125,633,813
Accumulated depreciation	-	(20,906,458)	(2,995,254)	(1,116,426)	(46,711,548)	(7,990,520)	(14,053)	-	(79,734,259)
Net book value	-	17,439,372	1,480,466	251,807	19,352,539	7,373,133	2,237	-	45,899,554
Year ended June 30, 2024									
Opening net book value	-	17,439,372	1,480,466	251,807	19,352,539	7,373,133	2,237	-	45,899,554
Additions	-	-	76,400	256,200	1,336,350	8,577,385	-	900,000	11,146,335
Transferred from capital work in progress	86,979,975	43,493,046	-	-	-	-	-	-	130,473,021
Disposal	-	(38,345,830)	(3,805,720)	(1,288,233)	(39,779,261)	(13,663,653)	(16,290)	-	(96,898,987)
Accumulated depreciation	-	21,778,427	2,609,322	1,086,437	28,709,129	7,626,520	14,277	-	61,824,112
	-	(16,567,403)	(1,196,398)	(201,796)	(11,070,132)	(6,037,133)	(2,013)	-	(35,074,875)
Depreciation charge	-	(3,771,505)	(89,912)	(74,681)	(2,944,793)	(435,808)	(224)	(135,000)	(7,451,923)
Closing net book value	86,979,975	40,593,510	270,556	231,530	6,673,964	9,477,577	-	765,000	144,992,112
At June 30, 2024									
Cost	86,979,975	43,493,046	746,400	336,200	27,621,176	10,277,385	-	900,000	170,354,182
Accumulated depreciation	-	(2,899,536)	(475,844)	(104,670)	(20,947,212)	(799,808)	-	(135,000)	(25,362,070)
Net book value	86,979,975	40,593,510	270,556	231,530	6,673,964	9,477,577	-	765,000	144,992,112
Annual rate of depreciation (%)	-	10	10	30	10 - 30	10	20	30	

6.2 Disposal of operating assets

This represent the transfer of assets to the DHQ as per memorandum of understanding (MOU) between DHQ Hospital and Liver Foundation Trust dated 15-03-2014. As per MOU building and certain infrastructure was handed over to the Trust by the Hospital. The trust was under obligation to improve, upgrade and made available required equipment, machinery, installations and other facilities, as government property.

6.3 Operating assets - Mobile healthcare unit

	Laboratory equipment	Vehicles	Total
	-----Rupees-----		
At July 01, 2022			
Cost	2,113,496	3,880,970	5,994,466
Accumulated depreciation	(708,321)	(3,154,905)	(3,863,226)
Net book value	<u>1,405,175</u>	<u>726,065</u>	<u>2,131,240</u>
Year ended June 30, 2023			
Opening net book value	1,405,175	726,065	2,131,240
Depreciation charge	(421,553)	(145,213)	(566,766)
Closing net book value	<u>983,622</u>	<u>580,852</u>	<u>1,564,474</u>
At June 30, 2023			
Cost	2,113,496	3,880,970	5,994,466
Accumulated depreciation	(1,129,874)	(3,300,118)	(4,429,992)
Net book value	<u>983,622</u>	<u>580,852</u>	<u>1,564,474</u>
Year ended June 30, 2024			
Opening net book value	983,622	580,852	1,564,474
Depreciation charge	(295,087)	(116,170)	(411,257)
Closing net book value	<u>688,535</u>	<u>464,682</u>	<u>1,153,217</u>
At June 30, 2024			
Cost	2,113,496	3,880,970	5,994,466
Accumulated depreciation	(1,424,961)	(3,416,288)	(4,841,249)
Net book value	<u>688,535</u>	<u>464,682</u>	<u>1,153,217</u>
Annual rate of depreciation (%)	30	20	

Note	2024 Rupees	2023 Rupees
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6.4 Depreciation for the year has been allocated as under:

Statement of income and expenditure			
Liver Centre			
Operating expenses	9	7,152,106	4,904,891
Administrative expenses	11	299,817	267,044
		<u>7,451,923</u>	<u>5,171,935</u>
Mobile Healthcare Unit			
Operating expenses	9	411,257	566,766
		<u>7,863,180</u>	<u>5,738,701</u>

Land	Civil work	Total
-----Rupees-----		

6.5 Capital work in progress

Balance as at June 30, 2023	57,575,000	21,664,903	79,239,903
Additions	31,204,975	46,182,306	77,387,281
Transferred to operating assets	(86,979,975)	(43,493,046)	(130,473,021)
Balance as at June 30, 2024	1,800,000	24,354,163	26,154,163

Note	2024 Rupees	2023 Rupees
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7. Advances, prepayments and other receivable

Advances		
Employees	12,547	257,345
Income tax	1,320,356	4,392,679
Suppliers	7,691,677	5,491,732
Other Receivables	280,768	40,000
	<u>9,305,348</u>	<u>10,181,756</u>

8. Cash and bank balances

Cash in hand		40,510	980
Cash at banks			
In current accounts		4,414,597	58,461,355
In deposit accounts	8.1	395,798,738	311,663,840
		<u>400,253,845</u>	<u>370,126,175</u>

8.1 TDR of Rs.395.799 million (2023: Rs.311.664 million) having an effective interest rate of 21.9% to 24.5% (2023:15% to 22%). Deposit is out of Specific funds of Rs.406.706 million (2023: Rs 372.109 million).

Note	2024		2023	
	Liver Centre	Mobile healthcare unit	Liver Centre	Mobile healthcare unit

-----Rupees-----

9. Operating expenses

Salaries and benefits	29,228,576	-	38,361,988	-	
Medicines	5,226,573	-	8,791,983	-	
Antiviral treatment	4,259,165	-	6,620,547	-	
Laboratory	4,574,687	-	5,305,000	-	
Vehicle running and maintenance	-	345,007	-	410,882	
Generator expenses	766,039	-	799,898	-	
Printing and stationery	30,100	-	77,930	-	
Endoscopy	105,000	-	160,000	-	
Insurance	-	-	80,892	-	
Depreciation	6.4	7,152,106	411,257	4,904,891	566,766
Repairs and maintenance	1,643,397	-	2,179,480	-	
Washing, cleaning and others	3,274,214	-	1,481,577	-	
	<u>56,259,857</u>	<u>756,264</u>	<u>68,764,186</u>	<u>977,648</u>	

10. Other income

Income from assets other than financial assets:				
Scrap sales	230,530	-	78,521	-
Income from financial assets:				
Profit on deposit	88,231,166	-	57,906,478	-
	<u>88,461,696</u>	<u>-</u>	<u>57,984,999</u>	<u>-</u>

11. Administrative expenses

Staff salaries and benefits	2,943,219	-	3,256,408	-
Printing and stationery	200,410	-	238,650	-
Travelling and conveyance	414,410	-	455,211	-
Postage and telecommunication	307,236	-	353,222	-
Audit fee	70,000	-	60,000	-
Legal and professional	226,482	-	10,000	-
Internal Auditor's remuneration	315,050	-	375,750	-
Fee and subscriptions	362,250	-	23,950	-
Advertisement	31,328	-	6,200	-
Repairs and maintenance	176,200	-	133,100	-
Entertainment	101,326	-	70,930	-
Bank charges	21,079	-	31,424	-
Depreciation	6.4	299,817	-	267,044
Other	301,430	-	27,400	-
	<u>5,770,237</u>	<u>-</u>	<u>5,309,289</u>	<u>-</u>

2024
Rupees

2023
Rupees

12. Donations

Donations			
in cash		14,350,215	5,881,550
in kind		477,357	835,121
		<u>14,827,572</u>	<u>6,716,671</u>

Note	2024 Rupees	2023 Rupees
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13. Provision for taxation

Current

For the year

13.1

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13.1 No provision for taxation has been made as the Trust has been approved as non profit organization under section 2(36) of the Income Tax Ordinance, 2001 and is claiming tax credit under Section 100-C of the Income Tax Ordinance, 2001.

14. DATE OF AUTHORISATION FOR ISSUE

The financial statements were authorised for issue on _____ by the Board of Trustees of the Trust.

15. GENERAL

15.1 Figures have been rounded off to the nearest Rupee.



CHAIRMAN



TRUSTEE