MAZHAR IQBAL & CO.
Chartered Accountants

Target Success: Audit & Assurance, Taxation, Accounting, IT&ERP, Corporate & Management Consultancy

INDEPENDENT AUDITOR'S REPORT

To the members of **PAKISTAN KIDNEY CENTER**

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **Pakistan Kidney Center** ("the Company"), which comprises the statement of financial position as at June 30, 2024 and the income and expenditure account, the statement of changes in accumulated fund, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the income and expenditure account, the statement of changes in accumulated fund and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017, in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2024 and of the surplus, the changes in accumulated fund and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company 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 a basis for our opinion.

Other Matter

The financial statements of M/s Pakistan Kidney Center for the year ended 30th June, 2023 were audited by another auditor who expressed an unmodified opinion on those statements on November 16th, 2023.

MAZHAR IQBAL & CO. Chartered Accountants RAWALPINDI

Office # 4 & 9, 4th Floor, Faisal Plaza Opposite GPO Saddar Rawalpindi.
Contact: 051-5700329, 5585400 - Cell:0333-5455400 - 0304-0154203
Email: mazhariqbalrazaq@gmail.com

Responsibilities of Management and Board of Directors for the Financial Statements

Management 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 the requirements of Companies Act, 2017 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, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company'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 accordance with ISA as applicable in Pakistan will always detect a 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 ISA as applicable in Pakistan, we exercise professional judgment 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 a 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, misrepresentations, 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 the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



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Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a 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 Company 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 the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors 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.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

a) proper books of account have been kept by the Company as required by the Companies Act, 2017

b) the statement of financial position, the income and expenditure account, the statement of changes in accumulated fund and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 and are in agreement with the books of account and returns;

c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and

d) no Zakat was deductible at source under the Zakat and Ushr Ordinance 1980, (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is **Mazhar Iqbal, FCA.**

MAZHAR IQBAL & CO.
CHARTERED ACCOUNTANTS

MAZHAR IQBAL & CO. Chartered Accountants * RAWALPINDI *

RAWALPINDI
Date: December 31, 2024
UDIN: AR2024108367WRdHptQg

Office # 4 & 9, 4th Floor, Faisal Plaza Opposite GPO Saddar Rawalpindi.
Contact: 051-5700329, 5585400 - Cell:0333-5455400 - 0304-0154203
Email: mazhariqbalrazaq@gmail.com

Name of Company	**Pakistan Kidney Center**
Reporting Date	**AS AT JUNE 30, 2024**
Period under Audit	**FOR THE YEAR ENDED JUNE 30, 2024**

Basic Information

Current year presented for year from and to?	July 01, 2023	June 30, 2024	2024
Comparative information presented for year from and to?	July 01, 2022	June 30, 2023	2023
Total notes provided in the financial statements from and to?	1	17	
Signatories	Chief Executive	Director	
Functional and Presentation Currency	Rupees		
Applicable Financial Reporting Framework	IFRSs		
Measurement method? (Cost / Revaluation)	Cost		

Pakistan Kidney Center

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2024

	Note	2024	2023
		---------- Rupees ----------	
ASSETS			
Non-current assets			
Property and equipment	5	6,870,000	-
Current assets			
Cash and bank balances	6	27,187,799	3,020,000
Stock		4,350,000	-
Other Receivables		1,305,000	-
		32,842,799	3,020,000
Total assets		**39,712,799**	**3,020,000**
Current liabilities			
Trade and other payables	7	7,175,000	50,000
Provision for Taxation		-	-
		7,175,000	**50,000**
Contingencies and commitments	8		
Net assets		**32,537,799**	**2,970,000**
Represented by:			
General Fund		32,537,799	2,970,000
		32,537,799	**2,970,000**

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

Chief Executive

Director

Pakistan Kidney Center

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
		---------- Rupees ----------	
Income	9	28,694,889	3,000,000
		28,694,889	**3,000,000**
Expenditures			
Administrative and general expenses	10	430,350	50,000
Bank charges		1,740	-
		432,090	**50,000**
Other Income		1,305,000	-
		1,305,000	**-**
Surplus before tax		**29,567,799**	**2,950,000**
Taxation		-	-
Surplus after tax		**29,567,799**	**2,950,000**

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

Chief Executive

Director

Pakistan Kidney Center

STATEMENT OF CHANGES IN ACCUMULATED FUND

FOR THE YEAR ENDED JUNE 30, 2024

	Note	General Fund	Total share capital and reserves
		---------- Rupees ----------	
Balance as at July 01, 2022		-	-
Surplus for the year		2,950,000	2,950,000
Other Reserves		20,000	20,000
Balance as at June 30, 2023		2,950,000	2,970,000
Balance as at July 01, 2023		2,950,000	2,950,000
Profit for the year		29,567,799	29,567,799
Other Reserves		20,000	20,000
Balance as at June 30, 2024		32,537,799	32,537,799

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

Chief Executive

Director

Pakistan Kidney Center
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
		---------- Rupees ----------	
Cash flows from operating activities			
Surplus before tax		29,567,799	2,950,000
Adjustments for:			
- depreciation		330,000	-
		330,000	-
Operating profit before working capital changes		**29,897,799**	**2,950,000**
Effect of working capital changes			
(Increase) / decrease in current assets			
Stock		(4,350,000)	-
Other Receiveable		(1,305,000)	
		(5,655,000)	**-**
Increase / (decrease) in current liabilities			
Trade and other payables		7,125,000	50,000
		7,125,000	**50,000**
Cash generated from operations		**31,367,799**	**3,000,000**
Income tax paid		-	-
Finance cost paid		-	-
		-	-
Net cash inflows from operating activities		**31,367,799**	**3,000,000**
Cash flows from investing activities			
Payments for property, plant and equipment		(7,200,000)	-
Cash Received from disposal		-	-
Net cash flows from investing activities		**(7,200,000)**	**-**
Cash flows from financing activities			
Other Reserves		-	20,000
Net cash flows from financing activities		-	**20,000**
Net increase in cash and cash equivalents		24,167,799	3,020,000
Cash and cash equivalents at the beginning of the year		3,020,000	-
Cash and cash equivalents at end of the year		**27,187,799**	**3,020,000**

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

Chief Executive

Director

1 Status and nature of business

Pakistan Kidney Center was incorporated in Pakistan on October 14, 2022 as a Company Limited by guarantee not having share capital under section 16 of the Companies Act, 2017. The company is principally engaged to run and maintain hospitals for patient with kidney diseases, do outreach and screening programs for various diseases through mobile health units and to do a collaboration with other health facilities, acquiring new techniques and tools for teaching and training doctors, and paramedical staff, to expand the kidney health care services across Pakistan. The registered office of the company is located at Shop #21, Ground Floor, Pakland City Plaza, I-8 Markaz, Islamabad

2 Basis of preparation

2.1 Basis of measurement

These financial statements have been prepared under the historical cost convention unless otherwise specifically stated, if any,

2.2 Statement of compliance

These financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan and the requirements of Companies Act, 2017. Approved accounting standards comprise of:

- International Financial Reporting Standards for Small and Medium Sized Entities (IFRS for SMEs) and Accounting and Financial Reporting by Non-Government Organizations (NGOs)/Non-Profit Organizations (NPOs) as issued by the Institute of Chartered Accountants of Pakistan.
- Provisions of and directives issued under the Companies Act, 2017.

Wherever, the requirements of the Companies Act, 2017 or directives issued by the Securities and Exchange Commission of Pakistan differs with the requirements of these accounting standards, the requirements of the Companies Act, 2017 or the requirements of the said directives shall prevail.

2.3 Functional and presentational currency

These financial statements have been prepared in Pakistani Rupees (PKR), which is the company's functional and presentational currency.

3 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 and judgments are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the 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 recognized 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 and provision for doubtful receivables. 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.

4 Summary of significant accounting policies

4.1 Property and equipment

Property and equipment are stated at cost less accumulated depreciation and impairment losses, if any, Cost includes expenditures directly attributable to the acquisition of an asset.

Depreciation on property, plant and equipment is charged on reducing balance method at the rates stated in Note 5 to these financial statements. Depreciation charge commences from the month in which asset is available for use and continues until the month of disposal.

The assets residual values and useful lives are reviewed, at reporting date and if expectations differ from previous estimates, the change is accounted for as a change in an accounting estimate.

Maintenance and normal repairs are charged to expense as and when incurred. Major renewals and improvements are capitalized and assets so replaced, if any, are retired.

Gains and losses on disposal of property and equipment are recognized in the statement of profit or loss.

4.2 Trade debts

Trade and other debts are recognized at fair value of consideration receivable. Debts considered irrecoverable are written off and those considered doubtful are provided for.

4.3 Cash and bank balance

Cash and cash equivalents are carried in the statement of financial position at cost. For the purposes of the statement of cash flows, cash and cash equivalents comprise cash in hand, balances with banks in current accounts.

4.4 Trade and other payables

Liabilities for trade and other payables are carried at cost which is the fair value of the consideration to be paid in future for goods and services.

4.5 Revenue recognition

The company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the company and specific criteria has been met for each of the company's activities as described below:

4.6 Financial assets and liabilities

All the financial assets and financial liabilities are recognized at the time when the Company becomes the party to the contractual provisions of the instruments. The Company de-recognizes a financial assets or a portion of financial asset when, and only when, the Company loses control of the contractual right that comprise the financial asset or portion of financial asset. While a financial liability or the part of financial liability is de-recognized from the statement of financial position when, and only when, it is extinguished i.e., when the obligation specified in the contract is discharged, cancelled or expired.

Financial liabilities are classified according to the substance of contractual agreements entered into, significant financial liabilities are liability under finance lease, creditors accrued and other liabilities.
All the financial assets and liabilities are initially recognized at fair value. These are subsequently measured at fair value or amortized cost or cost as the case may be.

4.7 Offsetting of financial assets and liabilities

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position, if the company has a legally enforceable right to offset the recognized amounts and the company intends to settle either on a net basis or realize the asset and settle the liability simultaneously.

4.8 Taxation

No provision for taxation has been made in these accounts as the income/donation of the trust is entitled to 100% tax credit u/s 100C of the Income Tax Ordinance, 2001 being welfare institution run solely for welfare purposes and not for the purposes of making profit.

5 Property and equipment	Note	2024	2023
		Rupees	
Operating fixed assets	5.1	6,870,000	-
		6,870,000	-

5.1 Operating fixed assets

	Owned Assets		Total assets
	Medical Equipment	Solar Panel	
	Rupees		
Cost			
Balance as at July 01, 2022	-	-	-
Additions	-	-	-
Disposals	-	-	-
Balance as at June 30, 2023	-	-	-
Balance as at July 01, 2023	-	-	-
Additions	2,000,000	5,200,000	7,200,000
Disposals	-	-	-
Balance as at June 30, 2024	**2,000,000**	**5,200,000**	**7,200,000**
Depreciation			
Balance as at July 01, 2022	-	-	-
Charge for the year	-	-	-
Adjustment for the year	-	-	-
Balance as at June 30, 2023	-	-	-
Balance as at July 01, 2023	-	-	-
Charge for the year	200,000	130,000	330,000
Depreciation on disposals	-	-	-
Balance as at June 30, 2024	**200,000**	**130,000**	**330,000**
Rate of depreciation	20%	30%	
Written down value as at June 30, 2023	-	-	-
Written down value as at June 30, 2024	**1,800,000**	**5,070,000**	**6,870,000**

	Note	2024	2023
		---------- Rupees ----------	
6 Cash and bank balances			
Cash in hand		-	-
Balances with banks in current accounts		27,187,799	3,020,000
		27,187,799	**3,020,000**
7 Trade and other payables			
Trade Payables		7,050,000	-
Payable to PWS		40,000	-
Audit Fee Payable		85,000	50,000
		7,175,000	**50,000**

8 Contingencies and commitments

Contingencies

There were no contingent liabilities as at the date of statement of financial position. (2023 : Nil)

Commitments

There were no capital commitments at the statement of financial position date. (2023 : Nil)

	2024	2023
	---------- Rupees ----------	
9 Membership Subscription Income		
Membership Subscription	-	1,000,000
Donation	28,694,889	2,000,000
	28,694,889	**3,000,000**

	Note	2024	2023
		---------- Rupees ----------	
10 Administrative and general expenses			
Legal & Professional charges		25,350	-
Audit Fee		75,000	50,000
Depreciation		330,000	-
		430,350	**50,000**

11 Financial instruments

Financial assets as per statement of financial position

Cash and bank balances	27,187,799	3,020,000
	27,187,799	**3,020,000**

Financial liabilities as per statement of financial position

Trade and other payables	7,175,000	50,000
	7,175,000	**50,000**

12 **Transactions with related parties**

There are no related party transactions during the year. (2023 : Nil)

13 **Remuneration of Chief Executive and employees**

The aggregate amount charged in the financial statements for the year for remuneration, including certain benefits, to the Chief Executive and full time working Directors of the Company are as follows:

	Chief Executive		Directors	
	2024	2023	2024	2023
	---------- Rupees ----------		---------- Rupees ----------	
Managerial remuneration	-	-	-	-
	-	-	-	-
No. of persons	1	1	4	4

	2024	2023
	Number of persons	
Average number of employees during the year	0	0
Total number of employees as at June 30th	0	0

15 **Events after the reporting period**

There are no other significant events after the reporting period which may require adjustment of and/or disclosure in these financial statements.

16 **Date of authorization for issue**

These financial statements have been approved and authorized for issue on December 23, 2024 by the Board of Directors of the company.

17 **General**

- Figures have been rounded off to the nearest rupee.
-

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison.

Chief Executive

Director