

**Pakistan Children's Heart Foundation**

Financial statements for the year ended  
30 June 2016



KPMG Taseer Hadi & Co.  
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## Auditors' Report to the Members

We have audited the annexed balance sheet of **Pakistan Children's Heart foundation** ("a Company setup under section 42 of the Companies Ordinance, 1984") as at 30 June 2016 and the related statement of income and expenditure, statement of comprehensive income, cash flow statement and statement of changes in funds together with the notes forming part thereof, for the year then ended 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 our audit.

It is the responsibility of the Company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

- a) in our opinion, proper books of account have been kept by the Company as required by the Companies Ordinance, 1984;
- b) in our opinion:
  - i. the balance sheet and income and expenditure account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied except for the change as indicated in note 4.1 with which we concur;
  - ii. the expenditure incurred during the period was for the purpose of the Company's business; and
  - iii. the business conducted, investments made and the expenditure incurred during the period were in accordance with the objects of the Company.

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KPMG Taseer Hadi & Co.

- c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, income and expenditure account, statement of comprehensive income, cash flow statement and statement of changes in funds together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and give the information required by the Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at 30 June 2016 and of the surplus, its comprehensive income, its cash flows and changes in funds for the year then ended; and
- d) in our opinion no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980.

The financial statements of the Company for the year ended 30 June 2015 were audited by Arshad & Co. Chartered Accountants, who through their report dated 15 September 2015 expressed an unqualified opinion thereon.

Lahore

Date: 19 October 2016

*KPMG Taseer Hadi & Co.*  
KPMG Taseer Hadi & Co.  
Chartered Accountants  
(Bilal Ali)

# Pakistan Children's Heart Foundation

(A Company setup under section 42 of Companies Ordinance, 1984)

## Balance sheet

As at 30 June 2016

ASSETS	Note	2016 Rupees	2015 Rupees (Restated)
<b><u>Non-current assets</u></b>			
Operating fixed assets	5	397,468	45,455
<b><u>Current assets</u></b>			
Security deposits and other receivables	6	58,083	5,287
Cash and bank balances	7	12,763,731	13,114,089
		12,821,814	13,119,376
		<u>13,219,282</u>	<u>13,164,831</u>
<b>EQUITY AND LIABILITIES</b>			
Capital fund		1,200,000	1,200,000
General fund		11,754,898	306,769
<b>Total equity</b>		<u>12,954,898</u>	<u>1,506,769</u>
<b><u>Current liabilities</u></b>			
Other payables	8	264,384	11,658,062
Contingencies and commitments	9		
		<u>13,219,282</u>	<u>13,164,831</u>

The annexed notes from 1 to 16 form an integral part of these financial statements.

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19 OCT 2016

Lahore

  
Chief Executive Officer

  
Director

Pakistan Children's Heart Foundation  
 (A Company setup under section 42 of Companies Ordinance, 1984)  
 Statement of Income and Expenditure  
 For the year ended 30 June 2016

	Note	2016 Rupees	2015 Rupees (Restated)
Donation		4,337,501	8,882,110
Zakat		50,413,965	7,576,598
		54,751,466	16,458,708
Heart surgeries expenses paid to hospitals		(41,068,062)	(17,599,704)
		13,683,404	(1,140,996)
General and administrative expenses	10	(2,136,529)	(1,258,637)
<b>Surplus/ (deficit) before taxation</b>		<b>11,546,875</b>	<b>(2,399,633)</b>
Taxation	11	(98,746)	-
<b>Surplus/ (deficit) after taxation</b>		<b>11,448,129</b>	<b>(2,399,633)</b>

The annexed notes from 1 to 16 form an integral part of these financial statements.

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19 OCT 2016

Lahore



Chief Executive Officer



Director

Pakistan Children's Heart Foundation  
(A Company setup under section 42 of Companies Ordinance, 1984)  
Statement of Comprehensive Income  
For the year ended 30 June 2016

	2016 Rupees	2015 Rupees (Restated)
Surplus/ (deficit) after taxation	11,448,129	(2,399,633)
Other comprehensive income	-	-
<b>Total comprehensive surplus/ (deficit) for the year</b>	<b>11,448,129</b>	<b>(2,399,633)</b>

The annexed notes from 1 to 16 form an integral part of these financial statements.

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19 OCT 2016

Lahore



Chief Executive Officer



Director

Pakistan Children's Heart Foundation  
 (A Company setup under section 42 of Companies Ordinance, 1984)  
 Statement of Changes in Funds  
 For the year ended 30 June 2016

	Note	Capital fund	General fund	Total
		-----Rupees-----		
Balance as at 30 June 2014 as previously reported		1,200,000	3,048,402	4,248,402
Impact of prior period error relating to amortization of preliminary expenses	4.4	-	(342,000)	(342,000)
<b>Balance as at 30 June 2014 - restated</b>		<b>1,200,000</b>	<b>2,706,402</b>	<b>3,906,402</b>
Total comprehensive deficit - restated		-	(2,399,633)	(2,399,633)
<b>Balance as at 30 June 2015</b>		<b>1,200,000</b>	<b>306,769</b>	<b>1,506,769</b>
Total comprehensive surplus		-	11,448,129	11,448,129
<b>Balance as at 30 June 2016</b>		<b>1,200,000</b>	<b>11,754,898</b>	<b>12,954,898</b>

The annexed notes from 1 to 16 form an integral part of these financial statements.

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19 OCT 2016

Lahore



Chief Executive Officer



Director

Pakistan Children's Heart Foundation  
 (A Company setup under section 42 of Companies Ordinance, 1984)  
 Statement of Cash Flows  
 For the year ended 30 June 2016

Note	2016 Rupees	2015 Rupees (Restated)
<b><u>Cash flows from operating activities</u></b>		
Surplus/ (deficit) before tax for the year	11,546,875	(2,399,633)
<i>Adjustment for non-cash Items:</i>		
Depreciation	46,737	11,364
Amortised cost	-	171,000
	46,737	182,364
<b>Surplus before working capital changes</b>	<b>11,593,612</b>	<b>(2,217,269)</b>
<i>Effect on cash flow due to working capital changes:</i>		
Increase in security deposit and other receivables	(52,796)	(433)
(Decrease)/Increase in other payables	(11,393,678)	11,018,062
	(11,446,474)	11,017,629
<b>Cash generated from operations</b>	<b>147,138</b>	<b>8,800,360</b>
Income tax paid	(98,746)	-
<b>Net cash generated from operating activities</b>	<b>48,392</b>	<b>8,800,360</b>
<b><u>Cash flows from investing activities</u></b>		
Fixed capital expenditures	(398,750)	-
<b>Net cash used in investing activities</b>	<b>(398,750)</b>	<b>-</b>
<b>Net (decrease)/ increase in cash and cash equivalents</b>	<b>(350,358)</b>	<b>8,629,360</b>
Cash and cash equivalents at the beginning of the year	13,114,089	4,484,729
Cash and cash equivalents at the end of the year	7 <u>12,763,731</u>	<u>13,114,089</u>

The annexed notes from 1 to 16 form an integral part of these financial statements.

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19 OCT 2016

Lahore



Chief Executive Officer



Director