

NEUROLOGY RESEARCH AND
PATIENT WELFARE FUND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
JUNE 30, 2023



INDEPENDENT AUDITOR'S REPORT

To the members of the **NEUROLOGY RESEARCH AND PATIENT WELFARE FUND**

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statement of **NEUROLOGY RESEARCH AND PATIENT WELFARE FUND**, which comprise the statement of financial position as at **June 30, 2023** and the statement of income and expenditures, the statement of changes in fund, the statement of receipts and disbursements 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, statement of income and expenditure, the statement of changes in fund and 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 , in the manner so required and respectively give a true and fair view of the state of the entities affairs as at June 30, 2023 and of the income and expenditure for the year then ended; the changes in fund and its cash flows for the year then ended.

Basis for 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 the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the entity in accordance with International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan / Institute of Cost and management Accountants (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.

Responsibilities of Management and those Charged with Governance 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 for such internal control as management determines is necessary to enables 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 Entity 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 Entity or to cease operation, or has no realistic alternative but to do so.

Those Charged with Governance are responsible for overseeing the Entity'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 ISAs 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 ISAs 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 Entity 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 the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity 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 Entity 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 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.

Other Matter

The financial statement of the Fund for the year ended 30 June 2022 were audited by another firm of chartered accountants who expressed an unmodified opinion on those financial statement on November 8, 2022.

The engagement partner on the audit resulting in this independent auditor's report is **Arslan Ahmed**.

UHY Hassan Naeem & Co

KARACHI

DATE: 26th December 2023


UDIN Number: AR202310311C2ZHapsqz

NEUROLOGY RESEARCH AND PATIENT WELFARE FUND
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE, 2023

	Notes	2023 -----Rupees-----	2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	3,954,580	5,030,916
Long term investment	4	20,000,000	11,500,000
		<u>23,954,580</u>	<u>16,530,916</u>
Currents assets			
Inventory	7.2	923,235	962,324
Cash and bank balances	5	21,317,205	29,051,462
		<u>22,240,440</u>	<u>30,013,786</u>
Total assets		<u><u>46,195,020</u></u>	<u><u>46,544,702</u></u>
FUNDS AND LIABILITIES			
Funds			
General fund		46,195,020	46,544,702
Total funds and liabilities		<u><u>46,195,020</u></u>	<u><u>46,544,702</u></u>

The annexed notes form an integral part of these accounts.

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PRESIDENT



SECRETARY




TREASURER

NEUROLOGY RESEARCH AND PATIENT WELFARE FUND
INCOME AND EXPENDITURE ACCOUNT
AS AT 30 JUNE, 2023

	Notes	2023 -----Rupees-----	2022
INCOME			
Donation	6.1	18,045,302	13,708,986
Zakat	6.2	3,961,381	4,820,143
Other income	6.3	4,698,641	5,298,975
Donation in kind	6.4	7,357,396	7,264,624
		<u>34,062,720</u>	<u>31,092,728</u>
EXPENDITURE			
Administrative and general expenses	7.1	1,143,709	572,195
Annual fee		-	7,754
Civil works		6,671,287	8,230,902
Depreciation	3	1,076,336	1,388,611
Legal and professional fee		119,234	303,000
Medicine disbursed	7.2	12,623,431	6,849,819
Medicine purchases		-	4,790,868
Ongoing research		-	560,000
Operative expense	7.3	4,931,420	680,891
Others		143,604	2,669
Refreshments	7.4	42,955	24,807
Salaries	7.5	7,530,639	6,131,684
Travel and transportation		23,080	18,000
Utilities		106,707	114,454
		<u>(34,412,402)</u>	<u>(29,675,653)</u>
Surplus/(Deficit) before tax		<u>(349,682)</u>	<u>1,417,074</u>
Taxation	8	-	-
Surplus/(Deficit) for the year		<u><u>(349,682)</u></u>	<u><u>1,417,074</u></u>

The annexed notes form an integral part of these accounts.




PRESIDENT


SECRETARY


TREASURER

NEUROLOGY RESEARCH AND PATIENT WELFARE FUND
STATEMENT OF CHANGES IN FUND BALANCE
AS AT 30 JUNE, 2023

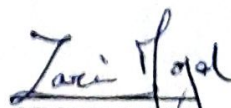
	2023	2022
	-----Rupees-----	
Balance at the beginning of the year	46,544,702	45,127,628
Surplus/(deficit) for the year	(349,682)	1,417,074
Balance at the end of the year	<u>46,195,020</u>	<u>46,544,702</u>

The annexed notes form an integral part of these accounts.





PRESIDENT



SECRETARY



TREASURER

NEUROLOGY RESEARCH AND PATIENT WELFARE FUND
RECEIPT AND DISBURSEMENT ACCOUNT
AS AT 30 JUNE, 2023

2023 2022
-----Rupees-----

Receipts

Donations	18,045,302	13,708,986
Redemption of National Saving Certificate	11,500,000	-
Zakat	3,961,381	4,820,143
Income on national saving	679,363	-
Other income	4,019,278	5,298,975
	<u>38,205,324</u>	<u>23,828,104</u>

Disbursements

Administrative and general expenses	1,143,709	572,195
Annual fee	-	7,754
Civil works	6,671,287	8,230,902
Equipment purchased	-	176,534
Legal and professional fee	119,234	303,000
Medicine purchases	5,226,946	4,790,868
Ongoing research	-	560,000
Operative expense	4,931,420	680,891
Others	13,308	2,669
Refreshments	42,955	24,807
Investment in National Savings	20,000,000	-
Salaries	7,660,935	6,131,685
Travel and transportation	23,080	18,000
Utilities	106,707	114,454
	(45,939,581)	(21,613,759)

Cash and bank balance at the beginning of the year	29,051,462	26,837,117
Cash and bank balance at the end of the year	<u>21,317,205</u>	<u>29,051,462</u>

The annexed notes form an integral part of these accounts.


PRESIDENT


SECRETARY


TREASURER

NEUROLOGY RESEARCH AND PATIENT WELFARE FUND
NOTES TO THE FINANCIAL STATEMENTS
AS AT 30 JUNE, 2023

1 INTRODUCTION

Neurology Research And Patient Welfare Fund "The Fund" has been established at Karachi and is registered under the Voluntary Social Welfare Agencies (Registration and Control) Ordinance, 1961 (XLVI of 1961) on March 12, 1989. The objects of the Fund are to provide help in the shape of medical, social, vocational and physical habitation assistance to the poor who are neurologically disabled, to improve neurology patients' welfare by increasing knowledge of physicians in the diseases of the nervous system, to support the research projects in these diseases, to acquire teaching aids equipment and to provide complete library facilities. The Fund is operating at Department of Neurology, Jinnah Postgraduate Medical Centre, Karachi.

2 STATEMENT OF COMPLIANCE

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with the requirements of the "Guideline For Accounting and Financial Reporting By Non-Government Organizations(NGOs)/Non-Profit Organizations (NPOs)" issued by the Institute of Chartered Accountants of Pakistan (ICAP).

2.2 ACCOUNTING CONVENTION

These financial statements have been prepared under the historical cost convention.

2.3 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements in conformity with the Accounting and Financial Reporting Standards as applicable in Pakistan 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 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. 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.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 INCOME AND EXPENDITURE RECOGNITION

Income is recognized to the extent that it is probable that the future economic benefits will flow to the organization and can be measured reliably.

Expenditures are recognized at the time of their occurrence

3.2 CASH AND CASH EQUIVALENTS

Cash and cash equivalents are carried in the balance sheet at cost. For the purpose of cash flow statement, cash and cash equivalents include cash in hand and with banks.

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3.3 TAXATION

Neurology Research And Patient Welfare Fund is a not for profit organisation, therefore its total income is subject to one hundred percent credit of the total tax payable under section 100C of the Income Tax Ordinance, 2001.

3.4 Other Payable

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

3.5 Offsetting

Financial assets and liabilities are offset and the net amount is reported in the balance sheet, if the Society has a legally enforceable right to setoff the recognised amounts and the Society intends to settle either on a net basis or realise the asset and settle the liability simultaneously.

	2023	2022		
	-----Rupees-----			
3 FIXED ASSETS				
Cost				
Assets reported last year	8,115,805	7,871,271		
Additions during the year	-	244,534		
Actual amount of fixed assets	<u>8,115,805</u>	<u>8,115,805</u>		
Accumulated depreciation				
Opening Amount	3,084,889	1,696,278		
Depreciation for the year	<u>1,076,336</u>	<u>1,388,611</u>		
Closing Amount	<u>4,161,225</u>	<u>3,084,889</u>		
NBV	<u>3,954,580</u>	<u>5,030,916</u>		
4 INVESTMENT				
National Saving Certificate	<u>20,000,000</u>	<u>11,500,000</u>		
5 CASH AND BANK BALANCE				
Cash at Bank	<u>21,317,205</u>	<u>29,036,462</u>		
6 INCOME	NRPWF - Head Account	NEC/ZAKAT	CECP	TOTAL
	-----Rupees-----			
6.1 Donation				
General Donations - Income	10,845,302	-	-	10,845,302
Fixed Donations - Operational Cost (Nabiqasim industries and Surge Laboratory)	7,200,000	-	-	7,200,000
	<u>18,045,302</u>	-	-	<u>18,045,302</u>

6.2 Zakat				
General Zakat - Income	-	3,961,381	-	3,961,381
	-	3,961,381	-	3,961,381
6.3 Other income				
National Saving Certificate Profit	679,363	-	-	679,363
OPD EEG and Drug Bank Cash	3,961,650	-	-	3,961,650
Other Income	57,628	-	-	57,628
	4,698,641	-	-	4,698,641
6.4 Donation in kind				
Drug Donation - Patient Aid Foundation (PAF)	6,034,116	-	-	6,034,116
Amarant Pharma	1,323,280	-	-	1,323,280
	7,357,396	-	-	7,357,396
	30,101,339	3,961,381	-	34,062,720

7 EXPENSES

2023 2022

-----Rupees-----

7.1 Administrative and General Expenses

Bank Charges	-	3,051
Janitorial Material	49,405	42,325
Printing, Stationary and Photocopy	467,306	409,059
Postages	27,880	27,690
Repairs and maintenance	461,168	90,070
Equipment Purchase	137,950	-
	1,143,709	572,195

7.2 Medicine

Opening	962,324	-
Medicine Purchase	5,226,946	494,787
In Kind Donation	7,357,396	494,787
Closing	(923,235)	(989,574)
Medicine Disbursed	12,623,431	-

7.3 Operative Expenses

Advertisement	4,560,320	414,548
EEG Laboratory	271,100	173,643
ASEPA EEG Workshop	100,000	-
Website Design/ Maintenance	-	92,700
	4,931,420	680,891

7.4 Refreshments

NEC Pantry	42,955	24,807
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7.5 Salaries

Docotor's Honorarium	2,841,939	2,437,834
Salaries Non- medical staff	3,382,607	2,702,458
Salaries Para Medical Staff	1,306,093	991,392
	<u>7,530,639</u>	<u>6,131,684</u>

8 Tax Exemption

Neurology Research And Patient Welfare Fund is a not for profit organisation, therefore its total income is subject to one hundred percent credit of the total tax payable under section 100C of the Income Tax Ordinance, 2001.

9 Date of Authorization for Issue


The financial Statements were authorized for issue by the Managing Committee on 20 DEC 2023

10 Corresponding Figures

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

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PRESIDENT


SECRETARY


TREASURER