



**A. D. Akhawala & Co.**  
Chartered Accountants

321, 3<sup>rd</sup> Floor, Uni Centre,  
I.I. Chundrigar Road,  
Karachi 74000,  
Pakistan.

Phone: +92-21-32411268  
+92-21-32427857

Fax: +92-21-32427857

Web: [www.adaco.com.pk](http://www.adaco.com.pk)

## INDEPENDENT AUDITOR'S REPORT TO TRUSTEES

### Opinion

We have audited the financial statements of **KARACHI INSTITUTE OF MEDICAL SCIENCES EDUCATION WELFARE TRUST** (the Trust), which comprise of statement of financial position as at June 30, 2024 and the income and expenditure account, statement of changes in general fund and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Trust as at June 30, 2024 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and Medium-sized Entities issued by the International Accounting Standards Board (IASB) as adopted in Pakistan by the ICAP and Accounting Standards for Not for Profit Organization issued by ICAP.

### Basis for Opinion

We conducted our audit in accordance with the 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 Trust in accordance with the International Ethics Standards 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 the Code. We believe that the audit evidence we obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Trustees are responsible for the preparation and fair presentation of the financial statements in with International Financial Reporting Standards for Small and Medium-sized Entities (IFRS for SMEs) issued by the International Accounting Standards Board (IASB) as adopted in Pakistan by the ICAP and Accounting Standards for Not for Profit Organization issued by ICAP., and for such internal control as the Trustees 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, the Trustees are responsible for assessing Trust's ability to continue as 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 Trust or to cease operations, or has no realistic alternative but to do so.

Affiliate with   
**Garrison Accountants**

An audit and accounting firm based in the United Kingdom

Audit.Tax.Consulting, Financial Advisory.

Those charges with governance are responsible for overseeing the Trust 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. Misstatement can arise from fraud or error and are considered material if, individual or 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 ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

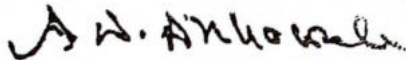
- Identify and access the risks of material misstatement of the financial statements, whether due to fraud and error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting 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 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 the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast 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 audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust's to cease to continue as going concern.

*Adaco.*

- 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.

The engagement partner on the audit resulting in this independent auditor's report is Abdullah Dawood Akhawala.



A.D. Akhawala & Co.  
Chartered Accountants  
UDIN: AR2024103759ilmfEz53  
Karachi, Dated: January 15, 2025



**KARACHI INSTITUTE OF MEDICAL SCIENCES EDUCATION WELFARE TRUST**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2024**

ASSETS	Notes	2024 Rupees	2023 Rupees
<b>NON CURRENT ASSETS</b>			
Property and equipment	3	547,770,368	445,073,239
<b>CURRENT ASSETS</b>			
Fees receivables		138,274,092	30,446,157
Short term investment - Term Deposit Receipts		218,300,000	210,519,000
Advance tax		147,688	147,688
Prepayment, accrued income and other receivables	4	5,992,614	20,816,055
Cash and bank balances	5	303,424,317	242,631,776
		666,138,710	504,560,676
<b>TOTAL ASSETS</b>		<b>1,213,909,078</b>	<b>949,633,915</b>
<b>FUND AND LIABILITIES</b>			
Endowment fund- restricted		933,403,480	678,726,618
Accumulated fund- unrestricted		119,493,914	119,493,914
		1,052,897,394	798,220,532
<b>LIABILITIES</b>			
<b>NON CURRENT LIABILITIES</b>			
Long term loan	6	108,712,000	108,712,000
Security deposits	7	42,760,394	33,619,643
		151,472,394	142,331,643
<b>CURRENT LIABILITIES</b>			
Accrued and other liabilities	8	9,539,290	9,081,740
<b>CONTINGENCY AND COMMITMENT</b>			
	9		
<b>TOTAL FUNDS AND LIABILITIES</b>		<b>1,213,909,078</b>	<b>949,633,915</b>

The annexed notes form an integral part of these financial statement.

*Adaw.*

TRUSTEE

  
 Brig  
 Sta Comd  
 (Hasnat Ahmed)

TRUSTEE

  
 Brig  
 Comdt  
 (Faisal Azam)

**KARACHI INSTITUTE OF MEDICAL SCIENCES EDUCATION WELFARE TRUST**  
**INCOME AND EXPENSE ACCOUNT**  
**FOR THE YEAR ENDED JUNE 30, 2024**

	Notes	2024 Rupees	2023 Rupees
Income	10	574,673,487	541,570,369
Operating expenses	11	342,056,589	343,707,808
Administrative expenses	12	75,344,016	69,196,872
Bank charges		-	2,643
		417,400,605	412,907,323
Other income	13	97,403,980	46,615,242
Other comprehensive income		-	-
<b>Surplus of income over expenditure</b>		<b>254,676,862</b>	<b>175,278,288</b>

The annexed notes form an integral part of these financial statement.

*Adaw.*

TRUSTEE

  
 Brig  
 Sta Comd  
 (Hasnat Ahmed)

TRUSTEE

  
 Brig  
 Comdt  
 (Faisal Azam)

**KARACHI INSTITUTE OF MEDICAL SCIENCES EDUCATION WELFARE TRUST**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2024**

	2024 Rupees	2023 Rupees
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Surplus of income over expenditure	254,676,862	175,278,288
<b>Adjustments for :</b>		
Depreciation	66,648,620	51,386,349
Amortization	-	(150,000)
Loss on disposal	59,156	
	321,384,638	226,514,637
<b>Changes in working capital</b>		
<b>Decrease / (Increase):</b>		
In fee receivable	(107,827,935)	52,380,978
In short term investment	(7,781,000)	(210,519,000)
In prepayments, accrued income and other receivable	14,823,441	(1,112,814)
In advance income tax	-	(147,688)
In accrued and other payable	457,550	4,279,330
Net cash generated from operating activities	221,056,695	71,395,444
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property and equipment	(81,443,604)	(75,754,919)
Capital work in progress	(88,061,301)	-
Proceeds from disposal	100,000	-
Net cash used in investing activities	(169,404,905)	(75,754,919)
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>(Decrease) / Increase:</b>		
in security deposits-students	9,140,751	(3,844,053)
in loan	-	(59,328,000)
Net cash generated from / (used in) financing activities	9,140,751	(63,172,053)
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	60,792,541	(67,531,528)
Cash and cash equivalents at the beginning of the year	242,631,776	310,163,304
<b>Cash and cash equivalents at the end of the year</b>	303,424,317	242,631,776

The annexed notes form an integral part of these financial statement.

*Adaw.*

TRUSTEE

  
 Brig  
 Sta Comd  
 (Hasnat Ahmed)

TRUSTEE

  
 Brig  
 Comdt  
 (Faisal Azam)

**KARACHI INSTITUTE OF MEDICAL SCIENCES EDUCATION WELFARE TRUST  
STATEMENT OF CHANGES IN GENERAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2024**

	<i>Endowment fund</i> <i>(Restricted)</i>	<i>Accumulated fund</i> <i>(Unrestricted)</i>	<i>Total</i>
	-----Rupees-----		
<b>Balance at July 01, 2022</b>	503,448,330	119,493,914	622,942,244
Surplus for the year ended June 30, 2023	-	175,278,288	175,278,288
Transfer to endowment fund	175,278,288	(175,278,288)	-
<b>Balance at June 30, 2023</b>	678,726,618	119,493,914	798,220,533
Surplus for the year ended June 30, 2024	-	254,676,862	254,676,862
Transfer to endowment fund	254,676,862	(254,676,862)	-
<b>Balance at June 30, 2024</b>	933,403,480	119,493,914	1,052,897,394

The annexed notes form an integral part of these financial statement.

*Adaw.*

TRUSTEE

  
Brig  
Sta Comd  
(Hasnat Ahmed)

TRUSTEE

  
Brig  
Comdt  
(Faisal Azam)