

DR. PANJWANI MEMORIAL TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
JUNE 30, 2023

**Independent Auditor's Report to the Board of Trustees of
Dr. Panjwani Memorial Trust**

Opinion

We have audited the financial statements of **Dr. Panjwani Memorial Trust** (the Trust), which comprises the statement of financial position as at June 30, 2023, and the statement of income or expenditure, statement of cash flows and statement of changes in fund for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Trust as at June 30, 2023 and of 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 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 Trust 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.

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

The Board of Trustees is 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, management is responsible for assessing the Trust'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 Trust or to cease operations, or has no realistic alternative but to do so.

Board of Trustees is responsible for overseeing the Trust's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

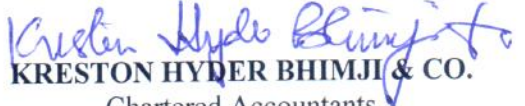
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee 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 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 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 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 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.

Karachi:
Date: May 02, 2024
UDIN: AR202310225oREu10KX2


KRESTON HYDER BHIMJI & CO.
Chartered Accountants
Engagement Partner: Shaikh Mohammad Tanvir

DR. PANJWANI MEMORIAL TRUST
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2023

(Endowment fund)

		2023	2022
	Note	----- Rupees -----	-----
NON-CURRENT ASSETS			
Long term investments	4	-	136,000,000
CURRENT ASSETS			
Accrued income		4,131,269	1,880,989
Current portion of long term investments		136,000,000	-
Short term Investments	5	32,000,000	17,000,000
Cash at bank	6	14,429,641	18,319,700
		186,560,910	37,200,689
Total Assets		186,560,910	173,200,689
<u>FUNDS AND LIABILITIES</u>			
Fund:			
Dr. Panjwani Fund		179,359,496	168,274,735
<u>CURRENT LIABILITIES</u>			
Payable to Dr. Panjwani Centre for Molecular Medicine and Drug (PCMD)	7	7,201,414	4,925,954
Contingencies & Commitment		-	-
Total Funds and Liabilities		186,560,910	173,200,689

The annexed notes 1 to 10 form an integral part of these Financial Statements.

KPSA

N. Panjwani
TRUSTEE

Fazil B. Talib
TRUSTEE

DR. PANJWANI MEMORIAL TRUST
STATEMENT OF INCOME OR EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2023

	Note	2023	2022
		----- Rupees -----	
<u>INCOME:</u>			
Income from long term investments - Regular Income Certificates		16,320,000	16,320,000
Income from short term investments		3,193,781	1,205,482
Income from bank deposits	8	2,705,978	895,150
		22,219,760	18,420,632
<u>EXPENDITURE:</u>			
Income tax deducted at source written off		-	(101,334)
Consultancy charges		(50,000)	-
Bank charges		(237)	(1,187)
Excess of income over expenditure for the year		22,169,523	18,318,111
Less: Contribution to Dr.Panjwani Centre for Molecular Medicine & Drug (PCMD)		(11,084,761)	(9,159,056)
Surplus transferred to Fund		11,084,761	9,159,056

The annexed notes 1 to 10 form an integral part of these Financial Statements.

Handwritten initials

N. Panjwani
TRUSTEE

Jay Bahadur
TRUSTEE

DR. PANJWANI MEMORIAL TRUST
STATEMENT OF CHANGES IN FUND
FOR THE YEAR ENDED JUNE 30, 2023

Dr. Panjwani
Fund

Balance as on June 30, 2021	159,115,679
Excess of Income over Expenditure	9,159,056
Balance as on June 30, 2022	<u>168,274,735</u>
Excess of Income over Expenditure	11,084,761
Balance as on June 30, 2023	<u><u>179,359,496</u></u>

The annexed notes 1 to 10 form an integral part of these Financial Statements.

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N. Panjwani
TRUSTEE

Fazl Bhatti
TRUSTEE

DR. PANJWANI MEMORIAL TRUST
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023

	2023	2022
	----- Rupees -----	
A Cash Flow From Operating Activities:		
Excess of income over expenditure for the year	22,169,523	18,318,111
Decrease / (Increase) In Current Assets:		
Short term investments	(15,000,000)	-
Accrued income	(2,250,280)	(214,230)
	4,919,243	18,103,881
Increase In Current Liabilities:		
Payable to PCMD	2,275,460	2,359,056
Net Cash Generated from Operating Activities	7,194,703	20,462,937
B Cash used in investing activities:	-	-
C Cash Used in Financing Activities	-	-
Contribution to PCMD	(11,084,761)	(9,159,056)
Net Increase / (Decrease) in Cash and Bank Balances (A+B+C)	(3,890,058)	11,303,881
Cash and Bank Balance at the beginning of the year	18,319,700	7,015,818
Cash and Bank Balance at the end of the year	14,429,642	18,319,700

The annexed notes 1 to 10 form an integral part of these Financial Statements.

APB

N. Panjwani
TRUSTEE

Fazal
TRUSTEE

Dr. PANJWANI MEMORIAL TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023

1. THE TRUST AND ITS OPERATIONS:

Dr. Panjwani Memorial Trust (the Trust) was established as a public charitable trust and is registered with the sub-Registrar T-Division 1-A, Karachi at Serial No. 2469 dated 6th July 2000. The registered office of the Trust is situated at 2/288, Mohammad Ali Habib Road, Numaish, Karachi. The Trust is also registered with Sindh Trust Board under registration number KAR/EAST/055/2023. It has setup an education research center at Karachi University known as "Dr. Panjwani Centre for Molecular Medicine and Drug Research" (the Center) and handed it over to Karachi University. The Trust is committed to transfer 50% of the surplus on the investment of fund net of its expenses to the Centre for meeting its recurring expenses.

2. STATEMENT OF COMPLIANCE :

The Trust falls under category of small sized organization in terms of Accounting Standard for Not-for-Profit Organizations. Accordingly these financial statements have been prepared in accordance with approved accounting standards applicable in Pakistan which comprise of Accounting Standard for Not-for-Profit Organizations and Revised Financial Reporting Standards for Small Sized Entities as issued by the Institute of Chartered Accountants of Pakistan.

3. SIGNIFICANT ACCOUNTING POLICIES:

The principal accounting policies adopted in the preparation of the financial statements are set out below:

3.1. Basis of Measurement:

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

3.2. Investment :

I). Held to Maturity:

These are investments with fixed or determinable payments and fixed maturity in respect of which the Trust has the positive intent and ability to hold till maturity which are carried at cost.

hpn

3.3. Taxation :

The Foundation is entitled to a tax credit equal to one hundred percent of the tax payable, including minimum tax and final taxes payable under sub section (1) of section 100C of the Income Tax Ordinance, 2001. The Foundation has obtained an approval under section 2(36) (c) of the Income Tax Ordinance, 2001 for being a non – profit organization.

3.4. Revenue Recognition :

- Income from deposits is recorded on accrual basis and income from held to maturity investment is recorded on effective yield method.
- Donations are recorded on receipt basis.

3.5. Financial instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument and de-recognized when the Company loses control of the contractual rights that comprise the financial asset and in case of financial liability when the obligation specified in the contract is discharged, cancelled or expired. Other particular recognition methods adopted by the Company are disclosed in the individual policy statements associated with each item of financial instruments.

3.6. Financial assets and liabilities

All financial assets and liabilities are initially measured at cost, which is the fair value of the consideration given and received respectively. These financial assets and liabilities are subsequently measured at fair value, or amortized cost, as the case may be.

3.7. Impairment:

A financial assets is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial assets is considered to be impaired when objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that assets. If objective evidence exists that an impairment loss has been incurred. The carrying amount of assets is reduced and the amount of loss is recognized in statement of income or expenditure. If in a subsequent period, the amount of impairment loss decreases, the previously recognized impairment loss is reversed through statement of income or expenditure.

K.P.R.

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

4 LONG TERM INVESTMENTS:

Held to Maturity:

National Saving Centre - Regular Income Certificates	136,000,000	136,000,000
Less: Current portion of long term investments	(136,000,000)	-
National Saving Centre - Regular Income Certificates	4.1	136,000,000

4.1 This represent various certificates for a period of 5 years maturing in February 2024 and March 2024. These carry profit at 12% per annum (2022:12.%).

5 SHORT TERM INVESTMENTS

Term Deposits Receipts	5.1	32,000,000	17,000,000
		32,000,000	17,000,000

5.1 Markup rate ranging from 13.55% to 20.25% (2022: 6.10% to 13.55%).

6 CASH AT BANK:

Bank Al-Habib Current Account - Linked with T-Call		14,429,641	18,319,700
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6.1 The deposits carry profit ranging from 12% to 20% (2022: 6% to 8%).

7 PAYABLE TO DR. PANJWANI CENTRE FOR MOLECULAR MEDICINE AND DRUG

Opening Balance		4,925,954	2,566,898
Contribution for the year		11,084,761	9,159,056
Payments made during the year		(8,809,301)	(6,800,000)
		7,201,414	4,925,954

8 INCOME FROM BANK DEPOSITS:

Bank Al-Habib Current Account - Linked with T-Call		2,705,978	895,150
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9 DATE OF AUTHORIZATION :

These financial statements were authorized for issue on..... by the Board of Trustees.

20 APR 2024

10 GENERAL:

10.1 Number of employees at year end were Nil (2022: Nil)

10.2 Figures have been rounded off to the nearest rupee.

Handwritten initials

N. Panjwani
TRUSTEE

Jagjit Singh
TRUSTEE