



**VISION TRUST**  
**For the year ended June 30, 2019**



**Grant Thornton Anjum Rahman**  
Chartered Accountants



# Grant Thornton

An instinct for growth™

## GRANT THORNTON ANJUM RAHMAN

1st & 3rd Floor,  
Modern Motors House  
Beaumont Road,  
Karachi 75530

T +92 021 3567 2951-56  
F +92 021 3568 8834  
www.gtpak.com

## INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

### Opinion

We have audited the financial statements of **Vision Trust** (the Trust) which comprise the statement of financial position as at June 30, 2019 and income and expenditure account, statement of changes in funds and statement of cash flows 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 Vision Trust as at June 30, 2019 and its financial performance and its cash flows 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 the International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in 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 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 Trustees are responsible for the preparation and fair presentation of these financial statements in accordance with the 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 Trustees are 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.

Those charged 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. 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 controls.
- 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 exist 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's 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.

Date: January 20, 2020  
Karachi

  
**Grant Thornton Anjum Rahman**  
Chartered Accountants  
**Muhammad Khalid Aziz**  
Engagement Partner

**VISION TRUST  
STATEMENT OF FINANCIAL POSITION  
AS AT JUNE 30, 2019**

	Notes	2019	2018
-----Rupees-----			
<b>ASSETS</b>			
<b>NON - CURRENT ASSETS</b>			
Property and equipment	5	17,519,425	20,560,531
<b>CURRENT ASSETS</b>			
Inventory	6	787,087	800,907
Trade receivables	7	23,000	40,580
Advances to staff	8	1,035,982	133,500
Cash and bank balances	9	6,366,825	5,537,148
		8,212,894	6,512,135
<b>TOTAL ASSETS</b>		<b>25,732,319</b>	<b>27,072,666</b>
<b>FUND BALANCE AND LIABILITIES</b>			
<b>FUND BALANCE</b>			
Unrestricted General fund		7,664,188	7,652,826
Restricted Donation Fund		1,508,698	-
Restricted Zakat fund		14,785,228	15,964,817
<b>Total Funds</b>		<b>23,958,114</b>	<b>23,617,643</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	10	1,774,205	3,455,023
<b>TOTAL FUND BALANCE AND LIABILITIES</b>		<b>25,732,319</b>	<b>27,072,666</b>

The annexed notes 1 to 21 form an integral part of these financial statements.

*CHITRAL*



Chief Executive Officer



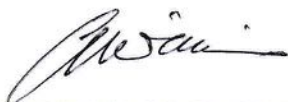

Trustee

**VISION TRUST  
STATEMENT OF INCOME AND EXPENDITURE  
FOR THE YEAR ENDED JUNE 30, 2019**

	Notes	2019	2018
-----Rupees-----			
<b>INCOME</b>			
Donations	11	15,418,187	4,846,266
Consultation fee		11,966,600	12,468,030
Income from services	12	29,813,228	26,377,890
Other income	13	223,836	198,349
		<u>57,421,851</u>	<u>43,890,535</u>
<b>EXPENDITURE</b>			
Inventory consumption	14	(10,530,886)	(7,940,230)
Operating and general administrative expenses	15	(41,386,198)	(37,827,456)
Welfare expenses	16	(5,493,405)	(4,992,840)
		<u>(57,410,489)</u>	<u>(50,760,526)</u>
<b>SURPLUS /(DEFICIT) FOR THE YEAR</b>		<u><u>11,362</u></u>	<u><u>(6,869,991)</u></u>

The annexed notes 1 to 21 form an integral part of these financial statements.

*CTAAL*



Chief Executive Officer




Trustee



**VISION TRUST**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2019**

	Notes	2019	2018
-----Rupees-----			
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Surplus/(Deficit) for the year		11,362	(6,869,991)
<b>Adjustments for:</b>			
Depreciation	5.1	4,439,366	5,225,146
Restricted donation fund utilized		(7,680,302)	-
Zakat utilised		(8,488,699)	(15,946,808)
		<u>(11,718,273)</u>	<u>(17,591,653)</u>
<b>(Increase) / decrease in current assets</b>			
Inventory		13,820	128,212
Trade receivables		17,580	90,330
Advance to staff		(902,482)	29,996
		<u>(871,082)</u>	<u>248,538</u>
<b>(Decrease) / increase in current liabilities</b>			
Trade and other payables		(1,680,818)	3,285,228
<b>Cash used in operating activities</b>		<u>(14,270,173)</u>	<u>(14,057,887)</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of plant and equipment	5.1	(1,398,260)	(3,177,000)
<i>Cash used in investing activities</i>		<u>(1,398,260)</u>	<u>(3,177,000)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Restricted Fund received during the year		9,189,000	-
Zakat received during the year		7,309,110	14,686,830
<i>Cash generated from financing activities</i>		<u>16,498,110</u>	<u>14,686,830</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		829,677	(2,548,057)
<b>Cash and cash equivalents at beginning of the year</b>		<u>5,537,148</u>	<u>8,085,205</u>
<b>Cash and cash equivalents at the end of the year</b>	9	<u><u>6,366,825</u></u>	<u><u>5,537,148</u></u>

The annexed notes 1 to 21 form an integral part of these financial statements.

*CTBYK*



Chief Executive Officer




Trustee

**VISION TRUST  
STATEMENT OF CHANGES IN FUND  
FOR THE YEAR ENDED JUNE 30, 2019**

	Unrestricted Fund	Restricted Funds		Total Fund
	General fund	Donation fund	Zakat fund	
	-----Rupees-----			
Balance as at June 30, 2017	14,522,817	-	17,224,795	31,747,612
Funds received during the year	-	-	14,686,830	14,686,830
Funds released to statement of income and expenditure	-	-	(15,946,808)	(15,946,808)
Deficit for the year	(6,869,991)	-	-	(6,869,991)
Balance as at June 30, 2018	7,652,826	-	15,964,817	23,617,643
<b>Funds received during the year</b>	-	<b>9,189,000</b>	<b>7,309,110</b>	<b>16,498,110</b>
<b>Funds released to statement of income and expenditure</b>	-	<b>(7,680,302)</b>	<b>(8,488,699)</b>	<b>(16,169,001)</b>
<b>Surplus for the year</b>	<b>11,362</b>	-	-	<b>11,362</b>
<b>Balance as at June 30, 2019</b>	<b>7,664,188</b>	<b>1,508,698</b>	<b>14,785,228</b>	<b>23,958,114</b>

The annexed notes 1 to 21 form an integral part of these financial statements.

*GTAL.*



Chief Executive Officer




Trustee

**VISION TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2019**

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**1 STATUS AND NATURE OF OPERATIONS**

The Vision Trust (the Trust) was registered on March 12, 2009 under the Trust Act, 1882. The main activities of the Trust are to assess eye problems and to develop, establish, run projects of quality eye care delivery programs and to make it accessible to all sections of the Society.

**2 STATEMENT OF COMPLIANCE**

These financial statements have been prepared in accordance with the applicable approved accounting and financial standards as applicable in Pakistan. Approved accounting and financial reporting standards comprise of Accounting and Financial reporting Standards for Small Sized Entities (AFRS for SSEs) issued by the Institute of Chartered Accountants of Pakistan (ICAP) and Accounting standards for Not for Profit Organizations issued by ICAP.

**3 BASIS OF PREPARATION**

These financial statements are prepared under the historical cost convention.

**4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**4.1 Plant and equipment**

These are stated at cost less accumulated depreciation and impairment, if any. Depreciation is charged on reducing balance basis using rates mentioned in note 5. Full year's depreciation is charged in the year of addition, however, no depreciation is charged on assets in the year of disposal. Normal repairs and maintenance are charged to expenses as and when incurred.

**4.2 Income recognition**

Consultation fee and income from sale of medicine are recorded on accrual basis.

Unrestricted donations are recognized as income as and when received on cash basis.

Zakat funds are recognized as income when treatment of deserving patients have been performed by the trust and related expense has been recognized in statement of income and expenditure.

Restricted donation are recognized as income when the conditions attached to such donations have been performed by the Trust.

**4.3 Deferred Income**

Non-Monetary donations are presented in statement of financial position as deferred income. Deferred income, in case of fixed assets, is recognized as income on systematic basis over the useful life of the donated assets. For other assets, deferred income is recognized when related assets are consumed.

**4.4 Inventory**

Inventory is carried at lower of cost and net realizable value (NRV). NRV signifies the estimated selling process in the ordinary course of business less the estimated cost necessary to make sale.

**4.5 General fund**

Funds received ongoing operations, without any restrictions on utilization, are classified as unrestricted funds. These funds are recognized as income when received. The expenses incurred against such funds are recognized in statement of income and expenditure as and when incurred.



**VISION TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2019**

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**4.6 Zakat fund**

Funds received as zakat are classified as restricted fund by the Trust in the statement of changes in fund. Expenses incurred against such funds are recognized in statement of income and expenditure as and when incurred and funds utilized from zakat is released to statement of income and expenditure. Any amount not yet utilized remains in zakat fund shown in statement of changes in fund.

**4.7 Donation Fund**

Donations received with restrictions on use are recorded in the statement of changes in funds as restricted donation fund. Expenses incurred against such funds are recognized in statement of income and expenditure as and when incurred and funds utilized from restricted donation fund is released to statement of income and expenditure. Any amount not yet utilized remains in zakat fund shown in statement of changes in fund.

**4.8 Trade and other receivables**

These are stated at amortized cost less allowance for any doubtful receivables if any. Provision is made against doubtful receivables on the basis of estimates. Amounts are directly written off where there is no chances for recovery.

**4.8 Taxation**

The Trust qualifies for tax credit under section 100C of the Income Tax Ordinance 2001 (the Ordinance), as the management believes that the Trust complies with the requirement of Section 100C of the Ordinance as follows:

- a) Trust deducts tax from payments made in accordance with the Ordinance;
- b) Tax deducted is duly reported to the Federal Board of Revenue; and
- c) The return of total income is regularly filed.

VISION TRUST  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2019

5 PROPERTY AND EQUIPMENT

	Notes	2019 -----Rupees-----	2018
Operating fixed assets	5.1	<u>17,519,425</u>	<u>20,560,531</u>

5.1 Operating fixed assets

2019	Cost			Accumulated Depreciation			Book Value at June 30, 2019	Rate %
	As at July 01, 2018	Additions	As at June 30, 2019	As at July 01, 2018	Depreciation	As at June 30, 2019		
	-----Rupees-----							
Medical Equipment	32,356,875	738,260	33,095,135	15,326,653	3,553,696	18,880,349	14,214,786	10-20
General equipment	4,932,170	660,000	5,592,170	2,170,271	684,380	2,854,651	2,737,519	20
Computer and accessories	1,313,947	-	1,313,947	837,871	142,823	980,694	333,253	30
Furniture and fixtures	563,100	-	563,100	270,766	58,467	329,233	233,867	20
<b>Total</b>	<b>39,166,092</b>	<b>1,398,260</b>	<b>40,564,352</b>	<b>18,605,561</b>	<b>4,439,366</b>	<b>23,044,927</b>	<b>17,519,425</b>	

2018	Cost			Accumulated Depreciation			Book Value at June 30, 2018	Rate %
	As at July 01, 2017	Additions	As at June 30, 2018	As at July 01, 2017	Depreciation	As at June 30, 2018		
	-----Rupees-----							
Medical Equipment	30,509,875	1,847,000	32,356,875	11,069,097	4,257,556	15,326,653	17,030,222	10-20
General equipment	3,708,370	1,223,800	4,932,170	1,479,796	690,475	2,170,271	2,761,899	20
Computer and accessories	1,270,747	43,200	1,313,947	633,839	204,032	837,871	476,076	30
Furniture and fixtures	500,100	63,000	563,100	197,683	73,083	270,766	292,334	20
<b>Total</b>	<b>35,989,092</b>	<b>3,177,000</b>	<b>39,166,092</b>	<b>13,380,415</b>	<b>5,225,146</b>	<b>18,605,561</b>	<b>20,560,531</b>	

**VISION TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2019**

	Notes	2019	2018
		-----Rupees-----	
<b>6 INVENTORY</b>			
Operation Theatre supplies		313,058	318,555
Pharmacy		474,029	482,352
		<u>787,087</u>	<u>800,907</u>
<b>7 TRADE RECEIVABLES</b>	<b>7.1</b>	<u>23,000</u>	<u>40,580</u>
<b>7.1</b> These represent the amounts receivable from the patients in respect of medical facilities provided to them.			
		2019	2018
		-----Rupees-----	
<b>8 ADVANCES TO STAFF</b>			
Opening balance		133,500	163,496
Advances given during the year		7,352,601	5,316,254
Advances received during the year		(6,450,119)	(5,346,250)
Closing balance		<u>1,035,982</u>	<u>133,500</u>
<b>8.1</b> These include an amount of <b>Rs. 855,482</b> (2018: Nil) given to Dr. Mazhar Awan, Chief executive officer of the Trust.			
		2019	2018
		-----Rupees-----	
<b>9 CASH AND BANK BALANCES</b>			
Cash in hand		191,810	168,157
Cash at bank - current account		6,175,015	5,368,991
		<u>6,366,825</u>	<u>5,537,148</u>
<b>10 TRADE AND OTHER PAYABLES</b>			
Trade creditors		1,589,013	2,997,085
Withholding tax payable		87,992	367,938
Audit fee payable		97,200	90,000
		<u>1,774,205</u>	<u>3,455,023</u>
<b>11</b> During the year donation received from K&Ns Foundation amounts to <b>Rs. 22.217 million</b> (2018: Rs. 12.133 million).			
		2019	2018
		-----Rupees-----	
<b>12 INCOME FROM SERVICES</b>			
Hospital charges		4,992,265	3,661,013
Theatre charges		16,837,434	17,671,365
Sale of medicine		3,973,089	3,760,312
Intra ocular lenses		473,240	457,700
Income from laboratory		3,537,200	827,500
		<u>29,813,228</u>	<u>26,377,890</u>
<b>13 OTHER INCOME</b>			
Optical income		180,000	180,000
Exchange gain		43,836	18,349
		<u>223,836</u>	<u>198,349</u>



**VISION TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2019**

14 INVENTORY CONSUMPTION	Notes	2019 -----Rupees-----	2018
Opening inventory		800,907	929,119
Purchased during the year		10,517,066	7,812,018
Closing inventory		(787,087)	(800,907)
Inventory consumed		<u>10,530,886</u>	<u>7,940,230</u>
<b>15 OPERATING AND GENERAL ADMINISTRATIVE EXPENSES</b>			
Consultation payments		12,083,900	12,499,830
Staff salaries	15.1	16,827,897	13,843,003
Depreciation	5.1	4,439,366	5,225,146
Utilities		2,022,445	1,762,780
Office supplies		2,020,523	1,514,451
Repairs and maintenance		1,276,464	941,686
Advertising expense		399,000	1,835
Books and subscriptions		12,675	17,860
Printing expenses		474,396	601,833
Auditors remuneration		97,200	90,000
Travelling and conveyance		124,640	785,304
IAPB membership fee		453,165	-
ISO training fees		655,000	-
Others		499,527	543,728
		<u>41,386,198</u>	<u>37,827,456</u>

**15.1** These include salary paid to Chief Executive Officer amounting to **Rs. 6 million** (2018: Rs. 5.87 million).

16 WELFARE EXPENSES	2019 -----Rupees-----	2018
Theatre supplies	2,758,274	2,193,607
Staff welfare	1,118,472	1,002,884
Laboratory supplies	1,212,904	1,421,982
Miscellaneous welfare expense	403,755	374,367
	<u>5,493,405</u>	<u>4,992,840</u>

**17 TAXATION**

The Trust being a welfare organization, contends that it is exempt from income tax on sources of income specified under the Income Tax Ordinance, 2001 (refer note 4.8).

**18 TRANSACTIONS WITH RELATED PARTIES**

Related parties comprise of members, associated companies with or without common directors, other companies with common directors, directors, key management personnel, their close family members and major donors of the Company. Transactions with related parties are entered into at arm's length. Transactions and balances with related parties are disclosed in respective notes to these financial statements

**VISION TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2019**

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19 FINANCIAL INSTRUMENTS	Notes	2019	2018
		-----Rupees-----	
<b>Financial assets - at amortized cost</b>			
Trade receivables		23,000	40,580
Advances to staff		1,035,982	133,500
Cash and bank balances		6,366,825	5,537,148
<b>Financial liabilities - at amortized cost</b>			
Trade and other payables		1,686,213	3,087,085

**20 DATE OF AUTHORIZATION FOR ISSUE**

These financial statements have been authorized for issue by the Board of Trustees on

~~20 JAN 2020~~

**21 GENERAL**

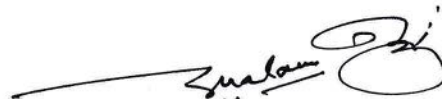
**21.1** Figures are rounded off to the nearest Rupees.

**21.2** Certain prior year figures have been reclassified for better presentation. However, there are no material reclassification to report.

*GT/KK*



Chief Executive Officer

Trustee