



VISION TRUST
For the year ended June 30, 2020



Grant Thornton Anjum Rahman
Chartered Accountants



Grant Thornton

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INDEPENDENT AUDITOR'S 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, 2020 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, 2020 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 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 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 06, 2021
Karachi


Grant Thornton Anjum Rahman
Chartered Accountants
Muhammad Khalid Aziz
Engagement Partner



VISION TRUST
Financial Statements
For the year ended June 30, 2020

VISION TRUST
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2020

	Notes	2020	2019
-----Rupees-----			
ASSETS			
Non-Current Assets			
Property and equipment	5	14,939,935	17,519,425
Current Assets			
Inventory	6	1,613,103	787,087
Trade receivables	7	76,200	23,000
Advances to staff	8	1,656,545	1,035,982
Cash and bank balances	9	6,326,691	6,366,825
		9,672,539	8,212,894
Total Assets		24,612,474	25,732,319

FUND BALANCE AND LIABILITIES

Fund Balance

Unrestricted general fund		3,546,667	7,664,188
Restricted donation fund		-	1,508,698
Restricted zakat fund		15,548,438	14,785,228
		19,095,105	23,958,114

Current Liabilities

Trade creditors and other payables	10	5,517,369	1,774,205
Total Fund Balance And Liabilities		24,612,474	25,732,319

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

QTA



Chief Executive Officer




Trustee

**VISION TRUST
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2020**

	Notes	2020 -----Rupees-----	2019
Income			
Donations	11	22,950,450	15,418,187
Consultation fee		11,617,200	11,966,600
Income from services	12	31,088,413	29,813,228
Other income	13	140,788	223,836
		<u>65,796,851</u>	<u>57,421,851</u>
Expenditure			
Inventory consumption	14	(10,187,260)	(10,530,886)
Administrative expenses	15	(45,411,703)	(41,386,198)
Welfare expenses	16	(14,315,409)	(5,493,405)
		<u>(69,914,372)</u>	<u>(57,410,489)</u>
(Deficit) / Surplus for the year		<u><u>(4,117,521)</u></u>	<u><u>11,362</u></u>

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

CTAR



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Chief Executive Officer

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Trustee

**VISION TRUST
STATEMENT OF CHANGES IN FUND
FOR THE YEAR ENDED JUNE 30, 2020**

	Fund General fund	Restricted Funds		Total Fund
		Donation fund	Zakat fund	
	-----Rupees-----			
Balance as at June 30, 2018	7,652,826	-	15,964,817	23,617,643
Donation/Zakat received during the year	-	9,189,000	7,309,110	16,498,110
Funds released to income and expenditure account	-	(7,680,302)	(8,488,699)	(16,169,001)
Surplus/(Deficit) for the year	11,362	-	-	11,362
Balance as at June 30, 2019	7,664,188	1,508,698	14,785,228	23,958,114
Donation/Zakat received during the year	-	6,100,000	5,576,820	11,676,820
Funds released to income and expenditure account	-	(7,608,698)	(4,813,610)	(12,422,308)
Surplus/(Deficit) for the year	(4,117,521)	-	-	(4,117,521)
Balance as at June 30, 2020	3,546,667	-	15,548,438	19,095,105

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

ATK

[Signature]

Chief Executive Officer



[Signature]

Trustee

**VISION TRUST
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2020**

	Notes	2020	2019
		-----Rupees-----	
CASH FLOW FROM OPERATING ACTIVITIES			
(Deficit) / Surplus for the year		(4,117,521)	11,362
Adjustments for:			
Depreciation	5.1	3,835,590	4,439,366
Restricted fund utilized		(7,608,698)	(7,680,302)
Zakat utilised		(4,813,610)	(8,488,699)
		<u>(12,704,239)</u>	<u>(11,718,273)</u>
(Increase) / decrease in current assets			
Inventory		(826,016)	13,820
Trade debts		(53,200)	17,580
Advance to staff		(620,563)	(902,482)
		<u>(1,499,779)</u>	<u>(871,082)</u>
Increase / (decrease) in current liabilities			
Trade and other payables		3,743,164	(1,680,818)
<i>Cash used in operating activities</i>		<u>(10,460,854)</u>	<u>(14,270,173)</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of plant and equipment	5.1	(1,256,100)	(1,398,260)
<i>Cash used in investing activities</i>		<u>(1,256,100)</u>	<u>(1,398,260)</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Restricted Fund received during the year		6,100,000	9,189,000
Zakat received during the year		5,576,820	7,309,110
<i>Cash generated from financing activities</i>		<u>11,676,820</u>	<u>16,498,110</u>
Net increase in cash and cash equivalents		(40,134)	829,677
Cash and cash equivalents at beginning of the year		6,366,825	5,537,148
Cash and cash equivalents at the end of the year	9	<u>6,326,691</u>	<u>6,366,825</u>

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

QTAK



Chief Executive Officer




Trustee

VISION TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

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

The financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of Revised Accounting and Financial Reporting Standard of Small Sized Entities (AFRS for SSES) issued by the Institute of Chartered Accountant of Pakistan (ICAP), Accounting Standards for Not for Profit Organization issued by ICAP and provisions of and directives of Trust Deed.

Where the provisions of and directives of Trust Deed differs from the Revised AFRS for SSEs and Accounting standards for Not for Profit Organizations the directives of Trust Deeds have been followed.

3 BASIS OF PREPARATION

These financial statements are prepared under the historical cost convention.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 Property 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.

Donations are recognised 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 recongnized in income and expenditure account.

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 recognised as income on systematic basis over the useful life of the donated assets. For other assets, deferred income is recongnised when related assets are consumed.

4.4 Inventory

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

4.5 Trade receivables

Trade receivables are carried at cost which is the fair value of the consideration to be received in future for goods or services and subsequently are measured at amortised cost.

VISION TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

4.6 Cash and cash equivalents

These are stated at cost and comprise of cash in hand, bank balances and short term investments with a maturity of three months or less from the reporting date.

4.7 Trade creditors and other payables

Trade and other payables are recognized initially at fair value plus directly attributable cost, if any, and subsequently measured at amortised cost.

4.8 General fund

Funds received for ongoing operations, without any restrictions on utilisation, are classified as unrestricted funds. These funds are recognised as income when received. The expenses incurred against such funds are recognised in income and expenditure account as and when incurred.

4.9 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 income and expenditure account as and when incurred and funds utilised from zakat is released to income and expenditure account. Any amount not yet utilised remains in zakat fund shown in statement of changes in fund.

4.10 Restricted

The Restricted Fund comprises the accumulated surplus and deficit of donations for which the donor has specified an intension to support a particular aspect of activities together with income accruing directly to those restricted funds. Surpluses are held until they are fully expensed.

4.11 Taxation

Provision for current tax is based on taxable income for the year determined in accordance with the prevailing laws for taxation of income.

The Trust is established under the Trust Deed approved by the Commissioner of Income Tax as a non-profit organisation. Therefore, income of the Trust is subject to 100 percent tax credit under section 100C of the Income Tax Ordinance, 2001.

VISION TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

		2020	2019
		-----Rupees-----	
6 INVENTORY	Note		
Operation theatre supplies		641,600	313,058
Pharmacy		971,503	474,029
		<u>1,613,103</u>	<u>787,087</u>
7 TRADE RECEIVABLES	7.1	<u>76,200</u>	<u>23,000</u>
7.1	These represent the amounts receivable from the patients in respect of medical facilities provided to them.		
8 ADVANCES TO STAFF	Note	2020	2019
		-----Rupees-----	
Opening balance		1,035,982	133,500
Advances given during the year		8,247,653	7,352,601
Advances received during the year		(7,627,090)	(6,450,119)
Closing balance		<u>1,656,545</u>	<u>1,035,982</u>
8.1	These include an amount of Rs. 1,449,045 (2019: 855,482) given to Dr. Mazhar Awan, chief executive officer of the Trust.		
9 CASH AND BANK BALANCES	Note	2020	2019
		-----Rupees-----	
Cash in hand		705,618	191,810
Cash at bank - current account		5,621,073	6,175,015
		<u>6,326,691</u>	<u>6,366,825</u>
10 TRADE CREDITORS AND OTHER PAYABLES			
Trade creditors		4,839,068	1,589,013
Withholding tax payable		441,881	87,992
Advance from customers	10.1	139,220	-
Audit fee payable		97,200	97,200
		<u>5,517,369</u>	<u>1,774,205</u>
10.1	These include Rs. 107,220 (2019: Nil) received from snow white dry cleaners on account of provision of future medical services to its employees.		
11 DONATIONS	Note	2020	2019
		-----Rupees-----	
	11.1	<u>22,950,450</u>	<u>15,418,187</u>
11.1	During the year, donation received from K&Ns Foundation amounts to Rs. 27.363 million (2019: 22.217 million).		
12 INCOME FROM SERVICES	Note	2020	2019
		-----Rupees-----	
Hospital charges		5,036,785	4,992,265
Theatre charges		18,452,245	16,837,434
Sale of medicine		3,813,983	3,973,089
Intra ocular lense		482,500	473,240
Income from laboratory		3,302,900	3,537,200
		<u>31,088,413</u>	<u>29,813,228</u>

VISION TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

		2020	2019
	Note	-----Rupees-----	
13 OTHER INCOME			
Rental income		135,000	180,000
Exchange gain		5,788	43,836
		<u>140,788</u>	<u>223,836</u>
14 INVENTORY CONSUMPTION			
Opening inventory		787,087	800,907
Purchased during the year		11,013,276	10,517,066
Closing inventory		(1,613,103)	(787,087)
Inventory consumed		<u>10,187,260</u>	<u>10,530,886</u>
15 ADMINISTRATIVE EXPENSES			
Consultation payments		11,753,700	12,083,900
Staff salaries	15.1	20,609,463	16,827,897
Depreciation	5.1	3,835,590	4,439,366
Utilities		2,091,817	2,022,445
Office supplies		1,925,641	2,020,523
Repairs and maintenance		1,617,746	1,276,464
Advertising expense		330,000	399,000
Books and subscriptions		12,770	12,675
Printing expenses		622,196	474,396
Auditors remuneration		97,200	97,200
Travelling and conveyance		134,326	124,640
IAPB membership fee		331,280	453,165
ISO training fees		712,400	655,000
Networking expense		503,000	256,502
Others		834,574	243,025
		<u>45,411,703</u>	<u>41,386,198</u>

15.1 These includes salary paid to chief executive officer amounting to **Rs. 6 million** (2019: Rs. 6 million).

		2020	2019
	Note	-----Rupees-----	
16 WELFARE EXPENSES			
Theatre supplies		2,528,844	2,758,274
Staff welfare		1,439,976	1,118,472
Laboratory supplies		1,674,797	1,212,904
Miscellaneous welfare expense		209,813	403,755
Donations utilized	16.1	8,461,979	-
		<u>14,315,409</u>	<u>5,493,405</u>

16.1 This represent the amount of donation utilized during the year in provision of medical facilities to deserving patients.

17 TAXATION

The Trust is established under the Trust Deed approved by the Commissioner of Income Tax as a non-profit organisation. Therefore, income of the Trust is subject to 100 percent tax credit under section 100C of the Income Tax Ordinance, 2001.

VISION TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

18 TRANSACTION WITH RELATED PARTIES

Related parties comprise of members, associated companies with or without common directors, other companies with common directories, directors, key management personnel, their close family member and major donor of the company. Transaction with related parties are entered into at arm's length. Transaction and balances with related parties are disclosed in respective notes to these financial statements. Further, no remuneration was paid to Trustees during the year

19 FINANCIAL INSTRUMENTS	Note	2020 -----Rupees-----	2019
Financial assets - at amortized cost			
Trade receivables		76,200	23,000
Cash and bank balances		6,326,691	6,366,825
		<u>6,402,891</u>	<u>6,389,825</u>
Financial liabilities - at amortized cost			
Trade and other payables		<u>4,936,268</u>	<u>1,686,213</u>

20 GENERAL

20.1 Figures are rounded off to the nearest Rupees.

Previous year figures have been rearranged and/or reclassified, wherever necessary, for the purpose of comparison in the financial statements. For better presentation, the material reclassifications made in the financial statement are as follows:

Reclassification from	Rupees	Reclassification to	Rupees
Others	256,502	Networking expense	256,502

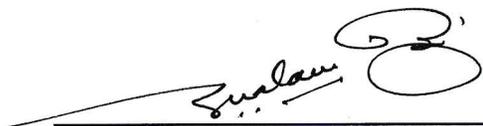
21 DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been authorized for issue by the Board of Trustees on
06 JAN 2021

ATK



Chief Executive Officer

Trustee