

AUDITED FINANCIALS 2016



**Pakistan Kidney and Liver Institute
and Research Center**

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INDEPENDENT AUDITORS' REPORT TO THE BOARD OF GOVERNORS OF PAKISTAN KIDNEY AND LIVER INSTITUTE AND RESEARCH CENTER

We have audited the accompanying financial statements of the **Pakistan Kidney and Liver Institute and Research Center**, which comprise the statement of financial position as at 31 December 2016, and the statement of income and expenditure, statement of comprehensive income, statement of cash flows and statement of changes in fund for the year then ended, and a summary of significant accounting policies and other explanatory notes (here-in-after referred to as the financial statements).

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with approved accounting standards as applicable in Pakistan and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing as applicable in Pakistan. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

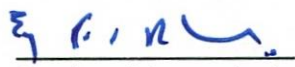
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the **Pakistan Kidney and Liver Institute and Research Center** as at **31 December 2016** and of its financial performance, its comprehensive income and its cash flows for the year then ended in accordance with the approved accounting standards as applicable in Pakistan.

Other matter

The financial statements of the **Pakistan Kidney and Liver Institute and Research Center** for the period ended 31 December 2015 were audited by another firm of chartered accountants whose report dated 17 August 2016 expressed an unqualified opinion.



Chartered Accountants

Engagement Partner: Naseem Akbar

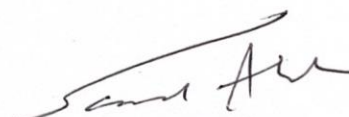
Lahore: 04 July 2017

PAKISTAN KIDNEY AND LIVER INSTITUTE AND RESEARCH CENTER
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016

	Note	2016 Rupees	2015 Rupees (Restated)
ASSETS			
Non-current assets			
Property and equipment	5	4,075,258,601	1,334,314,409
Intangibles	6	287,665	-
Long term deposits	7	5,085,180	1,702,994
		4,080,631,446	1,336,017,403
Current assets			
Advances, prepayments and other receivables	8	9,323,815	10,403,762
Short term investments	9	-	623,000,000
Cash and bank balances	10	1,673,005,998	104,487,516
		1,682,329,813	737,891,278
TOTAL ASSETS		<u>5,762,961,259</u>	<u>2,073,908,681</u>
FUND AND LIABILITIES			
Fund and reserves			
Fund balance		150,187,818	24,020,043
Non-current liability			
Deferred grants	11	5,546,142,381	1,925,178,659
Current liability			
Trade and other payables	12	66,631,060	124,709,979
TOTAL FUND AND LIABILITIES		<u>5,762,961,259</u>	<u>2,073,908,681</u>
CONTINGENCIES AND COMMITMENTS	13	-	-

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


MEMBER


PRESIDENT

PAKISTAN KIDNEY AND LIVER INSTITUTE AND RESEARCH CENTER
 STATEMENT OF INCOME AND EXPENDITURE
 FOR THE YEAR ENDED 31 DECEMBER 2016

For the period
 starting from
 08 Dec 2014 to
 31 Dec 2015

INCOME	Note	2016 Rupees	Rupees (Restated)
Return on investments	14	123,849,183	24,024,035
Amortization of deferred grants	11.3	79,036,278	33,369,633
Other Income		2,332,000	1,001
		<u>205,217,461</u>	<u>57,394,669</u>
EXPENDITURE			
Administrative expenses	15	79,036,278	33,369,633
Bank charges		13,408	4,993
		<u>79,049,686</u>	<u>33,374,626</u>
Surplus before taxation		126,167,775	24,020,043
Taxation	16	-	-
Surplus for the year / period		<u>126,167,775</u>	<u>24,020,043</u>

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

Muhammad Amin
 MEMBER

Sana Ali
 PRESIDENT

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PAKISTAN KIDNEY AND LIVER INSTITUTE AND RESEARCH CENTER
 STATEMENT OF COMPREHENSIVE INCOME
 FOR THE YEAR ENDED 31 DECEMBER 2016

	2016 Rupees	For the period starting from 08 Dec 2014 to 31 Dec 2015 Rupees (Restated)
Surplus for the year / period	126,167,775	24,020,043
Other comprehensive income:		
Items to be reclassified to profit or loss in subsequent periods	-	-
Items not to be reclassified to profit or loss in subsequent periods:	-	-
Total other comprehensive income	-	-
Total comprehensive income for the year / period	<u>126,167,775</u>	<u>24,020,043</u>

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

Mohammad Arif

MEMBER

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Sana Arif

PRESIDENT

PAKISTAN KIDNEY AND LIVER INSTITUTE AND RESEARCH CENTER
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	2016 Rupees	For the period starting from 08 Dec 2014 to 31 Dec 2015 Rupees (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES			
Surplus for the year / period		126,167,775	24,020,043
Adjustments for non cash and non operating Items:			
Depreciation		2,018,793	706,588
Bank charges		13,408	4,993
Amortization of deferred grants		(79,036,278)	(33,369,633)
		<u>(77,004,077)</u>	<u>(32,658,052)</u>
Surplus / (deficit) before working capital changes		49,163,698	(8,638,009)
Effect on cash flows due to working capital changes:			
Decrease / (Increase) in advances, prepayments and other receivables		1,079,947	(10,403,762)
(Decrease) / Increase in trade and other payable		(58,078,919)	124,709,979
Net cash (used in) / generated from operations		<u>(7,835,274)</u>	<u>105,668,208</u>
Bank charges paid		<u>(13,408)</u>	<u>(4,993)</u>
Net cash (used in) / generated from operating activities		(7,848,682)	105,663,215
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure incurred on property and equipment		(2,742,962,985)	(299,870,836)
Addition to intangibles		(287,665)	-
Payment of long term deposits		(3,382,186)	(335,163,863)
Net cash used in investing activities		(2,746,632,836)	(635,034,699)
CASH FLOWS FROM FINANCING ACTIVITY			
Grants received during the year / period		<u>3,700,000,000</u>	<u>1,256,859,000</u>
Net cash generated from financing activity		<u>3,700,000,000</u>	<u>1,256,859,000</u>
Net increase in cash and cash equivalents		945,518,482	727,487,516
Cash and cash equivalents at the beginning of year / period		727,487,516	-
Cash and cash equivalents at the end of year / period	(9 & 10)	<u>1,673,005,998</u>	<u>727,487,516</u>

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



MEMBER



PRESIDENT

PAKISTAN KIDNEY AND LIVER INSTITUTE AND RESEARCH CENTER
STATEMENT OF CHANGES IN FUND
FOR THE YEAR ENDED 31 DECEMBER 2016

	General Fund Rupees
Balance as at 31 December 2015 as previously reported	1,247,764,079
Effect of retrospective prior period adjustment as explained in note 3.2	<u>(1,223,744,036)</u>
Balance as at 31 December 2015 - restated	24,020,043
Surplus for the year	126,167,775
Balance as at 31 December 2016	<u><u>150,187,818</u></u>

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

Mohammad Asim

MEMBER

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Sami Ahsan

PRESIDENT