



**SHINE HUMANITY PAKISTAN**

**FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED  
JUNE 30, 2023**

**Private & Confidential**



## Independent Auditor's Report to the Managing Committee

### Opinion

We have audited the financial statements of Shine Humanity Pakistan (the Society), which comprise the statement of financial position as at June 30 2023 and statement of income and expenditure account, statement of changes in net surplus and statement of cash flows for the half 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 Shine Humanity Pakistan as at June 30, 2023 and its deficit 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 the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Managing Committee 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 Managing Committee is responsible for the preparation and fair presentation of the financial statements in accordance with the approved accounting and reporting standards as applicable in Pakistan, and for such internal control as the Managing Committee determines 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, Managing Committee is responsible for assessing the Society'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 Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society 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

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an auditor's report that includes our opinion. Reasonable assurance is 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 the 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 Society's internal control.
- Evaluate the appropriateness of the accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness on the management's use of 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 Society'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 upto the date of our auditor's report. However, future events or conditions may cause the Society 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.

  
Crowe Hussain Chaudhury & Co.  
Chartered Accountants

Engagement Partner: Imran Shaikh

Karachi

Date: 17 JAN 2024

UDIN: AR202310207fFmr6IR1j

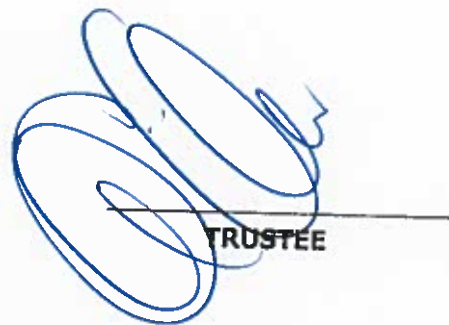
**SHINE HUMANITY PAKISTAN  
STATEMENT OF FINANCIAL POSITION  
AS AT JUNE 30, 2023**

	Note	June 30, 2023	December 31, 2022
----- Rupees -----			
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property and equipment	3	39,884,357	36,699,439
Intangible asset	4	4,971,795	5,058,581
Security deposit		984,000	964,000
		<u>45,840,152</u>	<u>42,722,020</u>
<b>CURRENT ASSETS</b>			
Inventory	5	7,349,336	3,146,211
Advances and prepayments	6	401,336	1,288,421
Cash and bank balances	7	49,261,845	25,608,349
		<u>57,012,517</u>	<u>30,042,981</u>
<b>TOTAL ASSETS</b>		<u><u>102,852,669</u></u>	<u><u>72,765,000</u></u>
<b>FUNDS AND LIABILITIES</b>			
Accumulated surplus		63,274,205	44,035,704
Fixed assets fund	8	13,310,361	13,674,095
		<u>76,584,566</u>	<u>57,709,799</u>
<b>CURRENT LIABILITIES</b>			
Accrued and other payables		11,750,753	7,409,761
Deferred liability	9	14,517,349	7,645,440
<b>TOTAL FUNDS AND LIABILITIES</b>		<u><u>102,852,669</u></u>	<u><u>72,765,000</u></u>
<b>CONTINGENCIES AND COMMITMENTS</b>	10	-	-

The annexed notes from 1 to 14 form an integral part of these financial statements.

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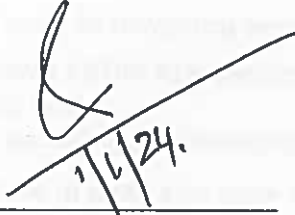
  
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**SHINE HUMANITY PAKISTAN  
STATEMENT OF INCOME AND EXPENDITURE  
FOR THE HALF YEAR ENDED JUNE 30, 2023**

	Note	Six months period ended	
		June 30, 2023	June 30, 2022
		----- Rupees -----	
<b>INCOME</b>			
OPD income		1,820,776	1,501,672
Expenditure in the object of the trust	11	<u>(69,838,312)</u>	<u>(31,869,721)</u>
Deficit arising from operation		(68,017,536)	(30,368,049)
<b>EXPENDITURES</b>			
Administrative expenditure	12	<u>(2,455,914)</u>	<u>(1,705,243)</u>
		(2,455,914)	(1,705,243)
Net deficit		(70,473,450)	(32,073,292)
Donations		89,711,951	49,247,712
Surplus for the period		<u>19,238,501</u>	<u>17,174,420</u>

The annexed notes from 1 to 14 form an integral part of these financial statements.

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**SHINE HUMANITY PAKISTAN  
STATEMENT OF CASH FLOW  
FOR THE HALF YEAR ENDED JUNE 30, 2023**

	Note	Six months period ended	
		June 30, 2023	June 30, 2022
		----- Rupees -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Surplus before tax for the period		19,238,501	17,174,420
<b>Adjustments</b>			
Depreciation	3	4,397,518	1,541,853
<b>Working capital changes</b>			
<b>(Increase) in current assets</b>			
Inventory		(4,203,125)	(2,767,334)
Advances and prepayments		887,085	(513,509)
Security deposit		(20,000)	
		(3,336,040)	(3,280,843)
<b>Increase in current liabilities</b>			
Deferred liability		6,871,909	-
Accrued and other payable		4,340,992	(881,148)
		11,212,901	(881,148)
<b>Net cash generated from operating activities</b>		<b>31,512,881</b>	<b>14,554,283</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Fixed capital expenditure	3	(7,687,512)	(7,059,117)
Intangibles	4	(171,873)	(1,533,815)
<b>Net cash used in investing activities</b>		<b>(7,859,385)</b>	<b>(8,592,932)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Fixed assets fund	8	-	1,375,679
<b>Net cash generated in investing activities</b>		<b>-</b>	<b>1,375,679</b>
<b>Net increase in cash and cash equivalents</b>		<b>23,653,496</b>	<b>7,337,029</b>
Cash and cash equivalents at the beginning of the period		25,608,349	14,346,406
<b>Cash and cash equivalents at the end of the period</b>		<b>49,261,845</b>	<b>21,683,436</b>

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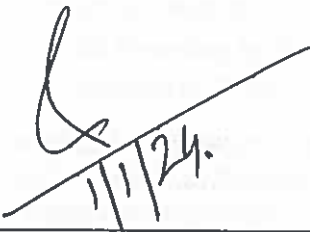
  
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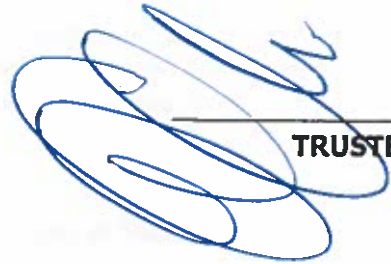
**SHINE HUMANITY PAKISTAN  
STATEMENT OF CHANGES IN NET SURPLUS  
FOR THE HALF YEAR ENDED JUNE 30, 2023**

	Accumulated surplus	Fixed Asset Fund	Total
	----- Rupees -----		
Balance as at December 31, 2021	14,089,971	8,859,052	22,949,023
Received during the year	-	5,257,769	5,257,769
Amortization charged	-	(442,726)	(442,726)
Surplus for year ended December 31, 2022	29,945,733	-	29,945,733
Balance as at December 31, 2022	<u>44,035,704</u>	<u>13,674,095</u>	<u>57,709,799</u>
Amortization charged	-	(363,734)	(363,734)
Surplus for period ended June 30, 2023	19,238,501	-	19,238,501
Balance as at June 30, 2023	<u><u>63,274,205</u></u>	<u><u>13,310,361</u></u>	<u><u>76,584,566</u></u>

The annexed notes from 1 to 14 form an integral part of these financial statements.

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**SHINE HUMANITY PAKISTAN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED JUNE 30, 2023**

**1 STATUS AND NATURE OF ACTIVITIES**

The Shine Humanity Pakistan (the Society) was registered under the Societies Registration Act, XXI of 1860 on June 4, 2013 and is working as a 'not for profit organization' dedicated to provide quick, efficient and compassionate medical and humanitarian relief to needy and poor people in rural and urban areas purely on non-profit basis. The purpose for which the Society is organized is to build and operate self-sustainable healthcare facilities in poor and neglected communities in Pakistan and to provide humanitarian and disaster relief when feasible. The registered office of the Society is situated at 401 & 402, 4th Floor, Building No.19-C, Lane 4, Khayaban-e-Shahbaz, DHA, Phase VI, Karachi, Sindh.

**2 SIGNIFICANT ACCOUNTING POLICIES**

**2.1 Basis of presentation**

These financial statements have been prepared in accordance with the requirements of approved accounting standards as applicable in Pakistan. Approved accounting standards comprises of Accounting and Financial Reporting Standards for Small Sized Entities and Guideline for Accounting and Financial Reporting by Non-Government Organization (NGOs) / Non-Profit Organizations (NPOs) issued by the Institute of Chartered Accountants of Pakistan (ICAP).

**2.1.1** These financial statements have been prepared and presented for the period from January 01, 2023 to June 30, 2023 due to change in financial year. Therefore, comparative figure in statement of income and expenditure, statement of cashflows and related notes are unaudited.

**2.2 Basis of measurement**

These financial statements have been prepared on the basis of historical cost convention.

**2.3 Functional and presentation currency**

These financial statements are presented in Pak Rupees, which is the functional and presentation currency of the Society and are rounded off to the nearest rupee.

**2.4 Fixed assets**

**Tangible**

These are stated at cost less accumulated depreciation and impairment, if any.

Depreciation on all property, plant and equipment is charged using the reducing balance method in accordance with the rates specified in note 3 to these financial statements.

Depreciation on additions is charged from the month in which the assets become available for use, while no depreciation is charged in the month of disposal.

Normal repairs and maintenance are charged to expense as and when incurred. Major renewals and improvements are capitalised.

Gains and losses on disposal of fixed assets are included in income currently.

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**2.5 Taxation****Current**

Provision for current taxation is based on taxable income at the current rates of taxation after taking into account available tax credits and rebates, if any.

**2.6 Revenue recognition**

Restricted revenue is recognized as income when the related cost is incurred whereas unrestricted revenue and donations are recognized on receipt basis.

Mark-up on bank deposits is recognized on accrual basis.

**2.7 Offsetting**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to set-off the recognized amounts and the Society intends to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

**2.8 Provisions and Accrued liabilities**

Provisions are recorded when the Society has a present obligation as a result of past events, which it is probable will result in an outflow of economic benefits and a reliable estimate of the amount of the obligation can be made.

**2.9 Cash and cash equivalents**

Cash and cash equivalents comprise of cash and bank balances, bank overdrawn and bank loan.

**2.10 Inventory**

Inventories are held for distribution at no charge and are measured at lower of cost and current replacement cost.

Current replacement cost is the price that an entity would pay to replace an existing asset at current market prices with a similar asset.

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**3 PROPERTY & EQUIPMENT**

Particulars	COST			RATE	ACCUMULATED DEPRECIATION			WDV
	As at January 01, 2023	Additions / (Disposal)	As at June 2023		As at January 01, 2023	Charge for the year	As at June 30, 2023	As at June 30, 2023
	----- Rupees -----			%	----- Rupees -----			
Computers	3,179,214	1,331,243	4,510,457	30%	1,138,922	346,391	1,485,313	3,025,144
Vehicles	20,737,967	-	20,737,967	25%	3,119,607	2,202,295	5,321,902	15,416,065
Furniture and fixtures	4,575,834	1,814,293	6,390,127	15%	701,335	358,126	1,059,461	5,330,666
Office equipments	7,532,180	3,012,490	10,544,670	30%	2,223,593	1,010,130	3,233,724	7,310,946
Generator	640,000	-	640,000	33%	288,580	57,984	346,564	293,436
Containers	5,553,300	-	5,553,300	10%	185,110	268,410	453,520	5,099,781
Plant & Machinery	2,331,480	1,529,486	3,860,966	15%	193,389	259,258	452,647	3,408,319
	<b>44,549,975</b>	<b>7,687,512</b>	<b>52,237,487</b>		<b>7,850,536</b>	<b>4,502,594</b>	<b>12,353,130</b>	<b>39,884,357</b>
2022 (Jan to Dec)	10,443,068	34,106,907	44,549,975		3,008,506	4,842,030	7,850,536	36,699,439

June 30, 2023                      December 31, 2022

----- Rupees -----

**4 Intangible**

Opening balance	<b>5,058,580</b>	2,430,996
Purchase during the year	<b>171,873</b>	3,023,769
	<b>5,230,453</b>	5,454,765
Amortization charged during the year	<b>258,658</b>	396,185
	<b>4,971,795</b>	5,058,581
Amortization rate	<b>10%</b>	10%

**5 INVENTORY**

Medicines	<b>7,349,336</b>	3,507,926
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**6 ADVANCES AND PREPAYMENTS**

Loan to staff	<b>128,538</b>	49,884
Other receivables	<b>150,035</b>	425,000
Prepaid insurance	<b>122,763</b>	813,537
	<b>401,336</b>	1,288,421

**7 CASH AND BANK BALANCES**

Cash in hand	<b>69,474</b>	53,435
Cash at bank	<b>49,192,371</b>	25,554,914
	<b>49,261,845</b>	25,608,349

**8 FIXED ASSET FUND**

Opening	<b>13,674,095</b>	8,859,052
Received during the year	-	5,257,769
Depreciation / amortization charged	<b>(363,734)</b>	(442,726)
	<b>13,310,361</b>	13,674,095

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	June 30, 2023	December 31, 2022
<b>9 ACCRUED AND OTHER PAYABLES</b>	----- Rupees -----	
Salaries payable	2,738,843	4,098,947
EOBI payable	112,500	99,055
Audit fee payable	170,038	97,165
Medicine liabilities	1,799,276	2,461,395
Other payable	6,930,096	653,199
	<u>11,750,753</u>	<u>7,409,761</u>

**10 CONTINGENCIES AND COMMITMENTS**

There are no contingencies and commitments as at June 30, 2023 (2022: Nil)

		Six months period ended June 30, 2023	June 30, 2022
<b>11 OPERATING EXPENSES</b>		----- Rupees -----	
	Note		
Inventory consumed	11.1	6,512,354	5,752,484
Salaries, wages and other benefits		34,706,687	17,583,291
Printing and stationery		1,368,294	300,407
Communication & internet		318,007	313,311
Utilities		856,813	481,472
Rent, rates & taxes		2,473,713	878,460
Meals & entertainment		900,049	318,680
Depreciation		4,397,518	1,385,149
General supplies		1,589,095	640,783
Traveling and conveyance		668,845	103,035
Insurance		878,165	402,586
Fuel		2,659,455	1,350,566
Laboratory expenses		3,235,792	1,125,168
Charity		6,473,718	-
Repair and maintenance		2,462,767	1,234,329
Other expenses		337,040	-
		<u>69,838,312</u>	<u>31,869,721</u>
<b>11.1 INVENTORY CONSUMED</b>			
Opening stock		3,507,926	740,592
Purchases - net		10,353,764	8,519,818
Closing stock		<u>(7,349,336)</u>	<u>(3,507,926)</u>
Inventory consumed		<u>6,512,354</u>	<u>16,949,944</u>
<b>12 ADMINISTRATIVE EXPENSES</b>			
Advertisement		1,346,423	1,451,730
Cleaning		200,315	51,380
Auditor's remuneration		72,873	-
Legal & professional		736,303	202,133
Conveyance charges		100,000	-
		<u>2,455,914</u>	<u>1,705,243</u>

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**13 DATE OF AUTHORISATION FOR ISSUE**

These unconsolidated financial statements have been approved for issue on 01-01-2024 by the Board of Trustee.

**14 GENERAL**

The figures in the unconsolidated financial statements have been rounded off to the nearest rupees.

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