SHAHEED MOHTARMA BENAZIR BHUTTO INSTITUTE OF TRAUMA AT KARACHI

FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

Crowe

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Independent Auditor's Report
To the Board of Governors of Shaheed Mohtarma Benazir Bhutto Institute of Trauma
Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Shaheed Mohtarma Benazir Bhutto Institute of Trauma at Karachi** (the Institute), which comprise the statement of financial position as at June 30, 2024 and the statement of income and expenditure account, statement of changes in fund and the 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 the Institute as at June 30, 2024 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 International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Institute 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 Board of Governors for the Financial Statements

Management 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 management determines 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 Institute'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 Institute or to cease operations, or has no realistic alternative but to do so.

Board of governors are responsible for overseeing the Institute's financial reporting process.

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Auditors' 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 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 Institute'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 Institute'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 Institute 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 the board of governors 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

Crowe Hussain Chaudhury & Co.
Chartered Accountants

Date: November 17, 2025

Place: Karachi

Engagement Partner: Imran Shaikh

UDIN Number: AR2024102076EhfxWCUw

SHAHEED MOHTARMA BENAZIR BHUTTO INSTITUTE OF TRAUMA AT KARACHI
STATEMENT OF FINANCIAL POSIITION
AS AT JUNE 30, 2024

	Note	2024	2023
		--------------Rupees--------------	
ASSETS			
NON CURRENT ASSETS			
Property and equipment	4	**3,328,849,910**	3,794,443,908
Intangible assets	5	**17,275,576**	28,792,627
		3,346,125,486	3,823,236,535
CURRENT ASSETS			
Inventories	6	**496,624,301**	384,844,205
Receivable from Government of Sindh	7	**381,070,781**	131,241,845
Advance, prepayment and other receivables	8	**6,680,633**	9,708,770
Cash at banks	9	**206,559,869**	32,102,135
		1,090,935,584	557,896,955
TOTAL ASSETS		**4,437,061,070**	4,381,133,490
FUND BALANCE			
Accumulated fund balance		**492,818,594**	314,562,012
LIABILITIES			
CURRENT LIABILITIES			
Project director's liability	10	**131,241,845**	131,241,845
Trade, accrued liabilities and other payables	11	**466,875,145**	112,093,101
		598,116,990	243,334,946
NON CURRENT LIABILITIES			
Deferred liability - capital grant	12	**3,346,125,486**	3,823,236,532
TOTAL LIABILITIES		**3,944,242,476**	4,066,571,478
CONTINGENCIES AND COMMITMENTS	13	-	-
TOTAL FUND BALANCE AND LIABILITIES		**4,437,061,070**	4,381,133,490

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

EXECUTIVE DIRECTOR

MEMBER OF BOG

SHAHEED MOHTARMA BENAZIR BHUTTO INSTITUTE OF TRAUMA AT KARACHI
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
		--------------Rupees--------------	
INCOME			
Grant income	14	**4,165,772,329**	3,289,009,694
Other income	15	**288,895,976**	32,599,793
		4,454,668,305	3,321,609,487
EXPENDITURE			
Salaries, wages and other benefits		**1,430,917,393**	1,094,894,554
Medicines and other supplies consumed	16	**982,863,016**	844,598,237
Utilities		**651,621,785**	380,155,538
Depreciation expense	4.1	**582,195,279**	433,278,349
Salaries and wages of outsourced staff		**305,140,968**	286,454,371
Repair and maintenance of building		**97,652,953**	90,094,194
Medical oxygen consumed		**85,343,214**	33,999,941
Security services		**66,714,599**	55,154,673
Fuel expense		**26,540,660**	17,791,801
Insurance charges		**19,009,204**	2,430,449
Other expenses		**12,001,588**	43,309,333
Amortization of intangible asset	5	**11,517,051**	11,517,051
Auditor's remuneration	17	**1,929,090**	1,696,900
Training expense		**726,574**	1,237,800
Zakat expenses		**655,202**	-
Telephone and communication		**524,431**	495,000
Allied Health and Science Program expense		**998,597**	-
Publications, newspaper periodicals and books		**54,119**	7,082
Post graduate medical expense		**6,000**	-
		4,276,411,723	3,297,115,273
Surplus for the year		**178,256,582**	24,494,214

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

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EXECUTIVE DIRECTOR

MEMBER OF BOG

SHAHEED MOHTARMA BENAZIR BHUTTO INSTITUTE OF TRAUMA AT KARACHI
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
		----Rupees----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Surplus for the year		**178,256,582**	24,494,214
Adjustments for non cash and other items			
- Depreciation expense	4.1	**582,195,279**	433,278,349
- Amortization of intangible asset	5	**11,517,051**	11,517,051
- Value of services rendered to patients through government grant		**(3,572,059,998)**	(2,844,214,292)
- Value of services rendered to patients through deferred capital grant		**(593,712,331)**	(444,795,400)
- Loss on disposal of assets			-
		(3,572,059,999)	(2,844,214,292)
Working capital changes			
(Increase) / decrease in current assets			
- Inventories		**(111,780,096)**	(23,475,403)
- Receivable from Government of Sindh		**(249,828,936)**	-
- Other receivables		**3,028,137**	(7,727,945)
Increase / (decrease) in current liabilities			
- Accrued and other payables		**354,782,047**	(47,437,534)
		(3,798,847)	(78,640,882)
Grant income received from government used	14.1	**3,572,059,998**	2,844,214,292
Net cash generated from operating activities		**174,457,734**	(54,146,668)
CASH FLOWS FROM INVESTING ACTIVITIES			
- Additions to property and equipment		**(116,601,281)**	(605,224,689)
Net cash used in investing activities		**(116,601,281)**	(605,224,689)
CASH FLOWS FROM FINANCING ACTIVITIES			
- Capital grant received during the year		**116,601,281**	605,224,689
Net cash generated from financing activities		**116,601,281**	605,224,689
Net increase / (decrease) in cash and cash equivalents		**174,457,734**	(54,146,667)
Cash and cash equivalents at the beginning of the year		**32,102,135**	86,248,802
Cash and cash equivalents at the end of the year	9	**206,559,869**	32,102,135

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

EXECUTIVE DIRECTOR

MEMBER OF BOG

SHAHEED MOHTARMA BENAZIR BHUTTO INSTITUTE OF TRAUMA AT KARACHI
STATEMENT OF CHANGES IN FUND
FOR THE YEAR ENDED JUNE 30, 2024

	Accumulated Deficit for the year	Transfer reserves	Total
	--------------------Rupees--------------------		
Balance as at June 30, 2022	(377,036,363)	667,104,161	290,067,798
Suplus for the year	24,494,214	-	24,494,214
Balance as at June 30, 2023	**(352,542,149)**	**667,104,161**	**314,562,012**
Suplus for the year	**178,256,582**	**-**	**178,256,582**
Balance as at June 30, 2024	**(174,285,567)**	**667,104,161**	**492,818,594**

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

EXECUTIVE DIRECTOR

MEMBER OF BOG

SHAHEED MOHTARMA BENAZIR BHUTTO INSTITUTE OF TRAUMA AT KARACHI
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 Shaheed Mohtarma Benazir Bhutto Institute Of Trauma at Karachi ("the Institute") was established in 2019 as an institute approved by Government of Sindh under "Shaheed Mohtarma Benazir Bhutto Institute Of Trauma at Karachi Act, 2018" (SMBBIT Act, 2018).

The institute is located at Chand Bibi road, near Civil Hospital Karachi.

In May 2023, 100 bedded Shaheed Mohtarma Benazir Bhutto Trauma and emergency response centre was operationalized under the umbrella of Institute as sattelite unit in Larkana, Sindh. The satellite unit has capacity to handle 150 plus emergency cases on daily basis.

1.2 The functions of the Institute are as follows:

i) to undertake treatment and acquire latest physical facilities necessary for carrying out investigation and treatment of various diseases and injuries in the field of Orthopedic Surgery, Neurosurgery, Traumatology, Vascular Surgery and Rehabilitation;

ii) to develop methodology and standardize technique for the investigation and- treatment of various diseases or injuries in the field of Orthopedic Surgery, Neurosurgery, Traumatology, Vascular Surgery and Rehabilitation;

iii) to provide the optimum, emergency, subsequent definite treatment and post-trauma rehabilitation to the accident injured victims, triaged from accident site and referred from Karachi, outskirts, satellite trauma center of the Institute at other districts of the Province of

iv) to administer and control all trauma centers established by Government throughout the Province of Sindh;

v) to undertake teaching in the principles of Orthopedic surgery, Neurosurgery, Traumatology, Vascular Surgery and Rehabilitation, with emphasis to transfer skill and impart knowledge in view of innovations to doctors, nurses, paramedical technologists, biomedical technologists and

vi) to undertake postgraduate teaching programmes such as FCPS, M.S., M.D., Ph.D., and other diploma in the field of Orthopedic Surgery, Neurosurgery, Traumatology, Vascular Surgery, Rehabilitation and Emergency Medicines, in collaboration with the College of Physicians and Surgeons Pakistan or University of Medical or Health Sciences recognized by the Higher Education Commission or Pakistan Medical Dental Council;

vii) to hold examinations and to award and confer degrees, diplomas, certificate and other academic distinctions to the persons who have been admitted to and have passed its examinations under the prescribed conditions;

viii) to undertake training of nursing and paramedical staff including technicians both graduate and postgraduate in the field of Orthopedic Surgery, Neurosurgery, Traumatology, Vascular Surgery, Rehabilitation and Emergency Medicine;

ix) to carry out and promote research, surveys, experiments and demonstrations and to develop data base registry to be used for improvement of services, preventive methodologies and future planning in the field of Orthopedic Surgery, Neurosurgery, Traumatology, Vascular. Surgery, Emergency Medicines and Rehabilitation;

x) to publish research papers, studies and such other works as are completed at the Institute or are prepared in collaboration with any other similar institute or agency, local or foreign or which are otherwise of substantial value to the institute;

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xi) to organize seminars and conferences, workshops to transform knowledge, skill of new innovations and to promote co-operation with national and international agencies, organization, institutions, fellowship colleges and universities in activities, falling within the purview of the

xii) to undertake all such activities or do such other acts and things as may be necessary to further the objectives of the Institute.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These 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 comprises of:

- International Financial Reporting Standards (IFRS) issued by International Accounting Standards Board (IASB) as notified in Companies Act, 2017; and
- Accounting Standard for Not for Profit Organizations (Accounting Standard for NPOs issued by the Institute of Chartered Accountants of Pakistan as notified under Companies Act, 2017

2.2 Basis of measurement

These financial statements have been prepared under historical cost convention and following accrual basis of accounting except cash flows information.

2.3 Presentation and functional currency

These financial statements are presented in Pak Rupees, which is the Institute's functional and presentation currency.

2.4 Initial application of standards, amendments and intepretations to existing

a) Amendments to accouting and reporting standards that became effective duing the year

There are certain new standards and interpretations of and amendments to existing accounting and reporting standards that have become applicable to the Investment Bank for accounting periods beginning on or after July 01, 2023. These are considered either not to be relevant or not to have any significant impact on the Investment Bank's operations and therefore are not detailed in these financial statements.

b) Standards and amendements to accounting and reporting standards that are not yet effective and have not been early adopted by the hospital

The following new standards, amendments to published standards and interpretations would be effective from the dates mentioned below against the respective standard or interpretation.

Standard or Interpretation	Effective Date (Annual periods beginning on or after)
IAS 1 - Presentaion of financial statements (Amendments)	January 1, 2024
IAS 1 - Statement of cash flows (Amendments)	January 1, 2024
IAS 1 - Non current liabilities with covanents (Amendments)	January 1, 2024
IAS 21 - lack of exchangeability (Amendments)	January 1, 2025
IFRS 7 - Financial instruments: disclosures (Amendments)	January 1, 2026
IFRS 9 - Financial Instruments - classificaiton and measurement of financial instruments (Amendments)	January 1, 2026

There are number of other standards, amendments and interpretations to the approved accounting standards that are not yet effective and are also not relevant to the Investment Bank and therefore, have not been presented here.

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2.5 Significant accounting judgments and critical accounting estimates /assumptions

The preparation of financial statements in conformity with approved accounting standards requires the management to:

- exercise its judgment in process of applying the Institute's accounting policies, and
- use of certain critical accounting estimates and assumptions concerning the future.

The areas involving critical accounting estimates and significant assumptions concerning the future are discussed below:

a) Property and equipment

Management has made estimates of residual values, useful lives and recoverable amounts of certain items of property, plant and equipment and intangible assets. Any change in these estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment and intangible assets with corresponding effect on the depreciation charge and impairment loss.

b) Impairment

The carrying amount of the Institute's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such indications exist, the assets' recoverable amount is estimated in order to determine the extent of impairment loss, if any.

3 SIGNIFICANT ACCOUNTING POLICIES

3.1 Property and equipment

a) Operating fixed assets

Initial recognition

The cost of an item of property and equipment is recognized as an asset if it is probable that future economic benefits associated with the item will flow to the entity and the cost of such item can be measured reliably. Recognition of the cost in the carrying amount of an item of operating fixed assets ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by the management.

Measurement subsequent to initial recognition

All the items of the property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any, except for capital work in progress which are stated

Cost in relation to items of property and equipment stated at cost represent historical costs. Cost comprises acquisitions and other directly attributable cost.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Institute and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to income and expenditure during the period in which they are incurred.

De-recognition

An item of property and equipment is derecognized on disposal; or when no future economic benefits are expected from its use or disposal. Gain or loss on disposal or retirement of an asset is recognized as an income or expense.

Depreciation

Depreciation is charged in the income and expenditure and other comprehsive income using straight-line method in accordance with useful lifes specified in the note 4. Depreciation is charged on additions during the period from the month of purchase whereas no depreciation is charged in the month of disposal.

Useful lives are determined by the management based on expected usage of asset, expected physical wear and tear, technical and commercial obsolescence, legal and similar limits on the use of assets and other similar factors.

The assets' residual values, useful lives and methods are reviewed, and adjusted if appropriate, at each reporting date.

b) Capital work in progress

Capital work in progress is stated at cost less impairment (if any). All expenditure connected with specific assets incurred during the installation and construction period are carried under capital work in progress. These are transferred to specific assets as and when assets are available for use.

c) Impairment

The Institute assesses whether there is any indication that Property and Equipment may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying value exceeds recoverable amount, assets are written down to the recoverable amount, by recognizing the difference in the income and expenditure account currently.

3.2 Intangibles

These are stated at cost less accumulated amortization and impairment losses, if any. Amortization is provided on a straight line basis at the rates disclosed in the note 5 to the financial statements on monthly basis. Cost associated with maintaining computer softwares is recognized as an expense as and when incurred.

3.3 Inventories

Inventories comprise medicines, instruments, consumables and general supplies such as surgical supplies, stationery, grocery items, etc. These are valued at cost. Cost is determined on weighted average basis. Cost comprise the purchase cost and other related costs incurred in bringing the inventories to their present location and condition.

Donated inventories are carried at a valuation equivalent to the cost, which would have been incurred in bringing such inventories to their present location and condition had these inventories been purchased or where the cost of the donated inventories cannot be measured with sufficient reliability such inventories are valued at token value of Rs. 1. Provision is made for slow moving and expired stock where necessary.

3.4 Deferred capital grant

Grants restricted for capital expenditure are recognised as 'deferred capital grant' when

3.5 Provision

Provision are recognized when the Institute has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Provisions are reviewed at each reporting date to reflect the current best estimate.

3.6 Trade payables, Accrued and other payables

Accrued and other payable are stated at cost which is the fair value of the consideration to be paid in future for goods and services received, whether billed or not to the Institute.

3.7 Revenue recognition

Grants received in cash and/ or in kind are treated as "Grant income" in the period in which these are received and is credited to income and expenditure account. Excess amount not utilized is returned to the Government of Sindh.

Deferred capital grant is amortised and recognized as income to match the depreciation and amortisation expense provided during the year on related capital assets.

3.8 Cash and cash equivalents

For the purpose of statement of cash flow cash, cash equivalents comprise of balances with

3.9 Financial instruments

a) Initial measurement and recognition

Financial assets

Non-derivative financial assets are recognised at the time when the Institute becomes a party to the contractual provisions of the instrument. Financial assets are derecognised when the rights to receive cash flows from the assets have expired or have been transferred and the Institute has transferred substantially all the risks and rewards of ownership.

Financial liabilities

Financial liabilities are recognised at the time when the Institute becomes a party to the contractual provisions of the instrument. These are initially recognised at fair value and subsequently stated at amortized cost. A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired.

Offsetting of financial assets and financial liabilities

A financial asset and a financial liability is offset and the net amount is reported in the statement of financial position if the Institute has a legal enforceable right to set off the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

b) Impairment of financial assets

Financial assets other than trade receivables

Financial assets other than those that are carried at fair value are assessed at each reporting date to determine whether there is any objective evidence of their impairment. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, and that loss event(s) had an impact on the estimated future cash flows of that asset that can be estimated reliably.

The impairment loss is recognized immediately in the statement of profit or loss and the carrying amount of the related financial asset is reduced accordingly. An impairment loss is reversed only if the reversal can be related objectively to an event occurring after the impairment loss was recognized.

3.10 Impairment of non- financial assets

The assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. If there is an indication of possible impairment, the recoverable amount of the asset is estimated and compared with its carrying amount.

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An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount. The impairment loss is recognised in the statement of profit or loss.

An impairment loss is reversed only to the extent that the asset carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. The Institute recognises the reversal immediately in the statement of profit or loss.

3.11 Segment reporitng

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Governers of the Institute that makes strategic decisions.

4 PROPERTY AND EQUIPMENT

	Note	2024	2023
		------------- RUPEES -------------	
Operating assets	4.1	**3,077,732,672**	3,339,788,503
Capital work-in-progress	4.2	**251,117,238**	454,655,405
		3,328,849,910	3,794,443,908

4.1 OPERATING ASSETS

2024

Description	COST				Depreciation				Written down value as at June 30, 2024	Useful life in years
	As at July 01, 2023	Additions / Transfer	(Disposal)	As at June 30, 2024	As at July 01, 2023	For the year	(Disposal)	As at June 30, 2024		
Land	1	-	-	1	-	-	-	-	1	
Building and civil work on land	3,031,697,628	-	-	3,031,697,628	1,073,359,662	151,584,881	-	1,224,944,543	1,806,753,085	20
Heating, ventilation, and air conditioning	677,595,273	-	-	677,595,273	458,544,108	72,537,674	-	531,081,782	146,513,491	10
Medical equipments	2,721,438,863	206,638,167	-	2,928,077,030	1,671,178,464	320,368,894	-	1,991,547,358	936,529,672	3 - 10
Hospital bed and ancillaries	184,198,775	656,500	-	184,855,275	182,620,350	760,962	-	183,381,312	1,473,963	5
Furniture and fixtures	147,028,073	12,891,952	-	159,920,025	146,983,588	645,286	-	147,628,874	12,291,151	5
Lifts and generators	314,660,479	73,435,095	-	388,095,574	207,214,045	33,301,925	-	240,515,970	147,579,604	10
Computer Equipments	54,719,602	16,967,020	-	71,686,622	51,649,974	2,773,933	-	54,423,907	17,262,715	5
Vehicles	-	5,798,000	-	5,798,000	-	96,634	-	96,634	5,701,366	5
Books and periodicles	-	3,752,714	-	3,752,714	-	125,090	-	125,090	3,627,624	5
	7,131,338,694	320,139,448	-	7,451,478,142	3,791,550,191	582,195,279	-	4,373,745,470	3,077,732,672	

Addition to operating assets includes Rs.86.96 million (2023: 604.53) which belongs to Larkana unit.

2023

Description	COST				Depreciation				Written down value as at June 30, 2022	Useful life in years
	As at July 01, 2022	Additions	(Disposal)	As at June 30, 2023	As at July 01, 2022	For the year	(Disposal)	As at June 30, 2023		
Land	1	-	-	1	-	-	-	-	1	
Building and civil work on land	2,871,189,961	160,507,667	-	3,031,697,628	928,969,402	144,390,260	-	1,073,359,662	1,958,337,966	20
Heating, ventilation, and air conditioning	629,813,807	47,781,466	-	677,595,273	392,411,541	66,132,567	-	458,544,108	219,051,165	10
Medical equipments	2,024,213,615	697,225,248	-	2,721,438,863	1,483,034,191	188,144,273	-	1,671,178,464	1,050,260,399	3 - 10
Hospital bed and ancillaries	184,198,775	-	-	184,198,775	180,085,061	2,535,289	-	182,620,350	1,578,425	5
Furniture and fixtures	147,028,073	-	-	147,028,073	146,970,568	13,020	-	146,983,588	44,485	5
Lifts and generators	314,660,479	-	-	314,660,479	175,747,997	31,466,048	-	207,214,045	107,446,434	10
Computer Equipments	52,018,542	2,701,060	-	54,719,602	51,053,082	596,892	-	51,649,974	3,069,628	5
	6,223,123,253	908,215,441	-	7,131,338,694	3,358,271,842	433,278,349	-	3,791,550,191	3,339,788,503	

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4.1.1 The project building was constructed on land of Civil Hospital, Karachi. Initially the project was department of Civil Hospital namely Shaheed Benazir Bhutto Accident Emergency & Trauma Centre, Civil Hospital, Karachi. Subsequent to the enactment of SMBBIT Act, 2018, the said department was constituted as a separate body corporate on July 01,2019. However, the title of land was not transferred to the Institute and therefore the land remains property of Civil Hospital, Karachi. Consequently, the fair value of land can not be measured reliably and therefore it is recognized at nominal value of Rs. 1 to ensure monitoring and accountability.

4.1.2 The ground breaking for the construction of building and civil works thereon commenced on September 07, 2009 by Ministry of Health, Government of Sindh (GoS) and was formally inaugurated for operation on December 23, 2015. It commenced its full operational activities from July 01, 2016 under administration of Civil Hospital, Karachi. The project was in the name of the Project Director office (PD) who was responsible for planning, designing construction and completion of the project. The project includes building & civil work along with all the other fixtures & equipment. The title of project's complex will be transferred to the Institute subsequent to the submission of PC - IV to the GoS after settlement of final liabilities amounting to Rs. 131.24 million by GoS. Since, the control of building resides with the Institute the same was capitalized in the financial statements.

4.2 Capital work-in-progress

4.2.1 Capital work in progress is related to medical equipment's which were purchased in prior years but not installed till the reporting date

4.2.2 Movement of capital work-in-progress

	2024	2023
	--------- RUPEES	**---------**
Opening balance as at July 01,	**454,655,405**	180,641,957
Addition	**-**	345,614,671
Transferred to property and equipment	**(203,538,167)**	(71,601,223)
Closing balance as at June 30,	**251,117,238**	454,655,405

Addition to CWIP includes Nil (2023: Rs. 81.12 million) which belongs to Larkana unit.

5 INTANGIBLE ASSETS

2024										
Description	**COST**				**Amortization**				**Written down value as at June 30, 2024**	**Amoritization Rate**
	As at July 01, 2023	**Additions**	**(Disposal)**	**As at June 30, 2024**	**As at July 01, 2023**	**For the year**	**(Disposal)**	**As at June 30, 2024**		
Information Technology & Building Management	**115,170,510**	**-**	**-**	**115,170,510**	**86,377,883**	**11,517,051**	**-**	**97,894,934**	**17,275,576**	**10%**

2023										
Description	COST				Amortization				Written down value as at June 30, 2023	Amoritization Rate
	As at July 01, 2022	Additions	(Disposal)	As at June 30, 2023	As at July 01, 2022	For the year	(Disposal)	As at June 30, 2023		
Information Technology & Building Management	115,170,510	-	-	115,170,510	74,860,832	11,517,051	-	86,377,883	28,792,627	10%

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		Note	2024	2023
6	**INVENTORIES**		-------------Rupees-------------	
	Instruments		**275,508,704**	223,579,656
	Medicines		**176,460,016**	105,140,832
	Others		**24,218,111**	34,471,670
	Consumables		**10,024,235**	8,374,476
	Stationary printing and publication		**7,580,430**	9,083,545
	Patient diet items		**2,832,805**	4,194,027
			496,624,301	384,844,205
7	**RECEIVABLE FROM GOVERNMENT OF SINDH**			
	Against project director liability	7.1	**131,241,845**	131,241,845
	Against electricity bill payable	7.2	**249,828,936**	-
			381,070,781	131,241,845

7.1 This amount represent receivable from Government of Sindh against construction of SMBBIT building.

7.2 This amount represents receivable from Energy Department, GoS, against electricity expenses. In twelfth Board of Governors (BoG) meeting dated May 1, 2024, BoG directed Institute's management to make application to Health Department, GoS, for K-Electric payment through Energy Department, GoS, Upon Institute's application, Health Department, GoS, directed Energy Department, GoS, via letter No.SO(B)1-58(SMBBIT)/2021 dated May 21, 2024, to pay monthly K-Electric bills of the Institute from June 2024 and onward from centralized payment, as the Institute falls under administrative control of Health Department, GoS.

		Note	2024	2023
8	**ADVANCE, PREPAYMENT AND OTHER RECEIVABLE**		-------------Rupees-------------	
	Prepayments			
	Insurance		**6,374,928**	9,384,132
	Other receivable			
	From canteen		**-**	110,000
	Other		**305,705**	214,638
			6,680,633	9,708,770
9	**CASH AT BANKS**			
	In current accounts		**33,812,334**	32,102,135
	In saving accounts	9.1	**172,747,535**	-
			206,559,869	32,102,135

9.1 This carries mark-up rates at ranging from 12.31% to 20.5% (2023: Nil) per anum.

10 PROJECT DIRECTOR'S LIABILITY

This represents the amount payable to project director in respect of the construction of SMBBIT building. This amount will be payable to project director subject to receipt from Government of Sindh.

		Note	2024	2023
11	**TRADE PAYABLES, ACCRUED LIABILITIES AND OTHER PAYABLES**		-------------Rupees-------------	
	Accrued liabilities	11.1	**316,495,021**	101,095,364
	Other payables		**149,118,124**	10,997,737
	Unearned income	11.2	**1,262,000**	-
			466,875,145	112,093,101
11.1	**Accrued Liabilities**			
	Staff salaries payable		**5,796,236**	4,950,244
	Accrued payable			
	-Electricity payable	7.2	**249,828,936**	
	-Utilities payable		**59,003,259**	94,448,219
	Auditors remuneration payable		**1,866,590**	1,696,901
			316,495,021	101,095,364

11.2 This represents advance fee received from students against Allied Health Sciences Program.

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12 DEFERRED LIABILITY - CAPITAL GRANT

2024	Opening Deferred Liability as at June 30, 2023	During year: Grant Received	Grant Income recognized	Grant Transferred	Closing Deferred Liability as at June 30, 2024
	Rupees				
DEFFERED INCOME					
Land	1	-	-	-	1
Building and civil work on land	1,958,337,965	-	151,584,881	-	1,806,753,085
Heating, ventilation, and air conditioning	219,051,163	-	72,537,674	-	146,513,491
Medical equipments	1,050,260,399	3,100,000	320,368,894	203,538,167	936,529,672
Hospital bed and ancillaries	1,578,425	656,500	760,962	-	1,473,963
Furniture and fixtures	44,485	12,891,952	645,286	-	12,291,151
Lifts and generators	107,446,434	73,435,095	33,301,925	-	147,579,604
Computer equipments	3,069,628	16,967,020	2,773,933	-	17,262,715
Books and Periodicles	-	3,752,715	125,090	-	3,627,624
Vehicles	-	5,798,000	96,634	-	5,701,366
	3,339,788,500	116,601,282	582,195,279	203,538,167	3,077,732,672
DEFFERED INCOME					
Capital work-in-progress	454,655,405	-	-	(203,538,167)	251,117,238
DEFFERED INCOME - Intangible assets					
Information technology and building management	28,792,627	-	11,517,051	-	17,275,576
TOTAL	3,823,236,532	116,601,282	593,712,330	-	3,346,125,486

2023	Opening Deferred Liability as at June 30, 2022	During year: Grant Received	Grant Income recognized	Grant Transferred	Closing Deferred Liability as at June 30, 2023
	Rupees				
DEFERRED INCOME					
Land	1	-	-	-	1
Building and civil work on land	1,942,220,558	160,507,667	144,390,260	-	1,958,337,965
Heating, ventilation, and air conditioning	237,402,265	47,781,466	66,132,567	-	219,051,163
Medical equipments	541,179,424	625,624,025	188,144,273	71,601,223	1,050,260,399
Hospital bed and ancillaries	4,113,714	-	2,535,289	-	1,578,425
Furniture and fixtures	57,505	-	13,020	-	44,485
Lifts and generators	138,912,483	-	31,466,049	-	107,446,434
Computer equipments	965,460	2,701,060	596,892	-	3,069,628
	2,864,851,410	836,614,218	433,278,350	71,601,223	3,339,788,500
DEFFERED INCOME					
Capital work-in-progress	180,641,957	345,614,671	-	(71,601,223)	454,655,405
DEFFERED INCOME - Intangible assets					
Information technology and building management	40,309,678	-	11,517,051	-	28,792,627
TOTAL	3,085,803,045	1,182,228,889	444,795,401	-	3,823,236,532

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13 CONTINGENCIES AND COMMITMENTS

No contingencies and commitments were there during the year (2023: Nil).

14 GRANT INCOME

	Note	2024	2023
		-------------Rupees-------------	
Grant related to income	14.1	**3,572,059,998**	2,844,214,292
Capital grant income	12 & 14.2	**593,712,331**	444,795,402
		4,165,772,329	3,289,009,694

14.1 Grant related to income pertains to the grant provided by GoS for the operational expenses of the Institute, amounting to Rs. 3,688.66 million (2023: Rs. 3,450 million).

14.2 This income represents the amortization of deferred capital grant on capital assets to match depreciation and amortization expense recognized during the year on related capital assets.

15 OTHER INCOME

	Note	2024	2023
		-------------Rupees-------------	
Income against electricity from GoS	7.2	**249,828,936**	-
Tender fee income		**1,160,000**	730,000
Sponsorship income		**7,119,244**	21,451,746
Fee income		**4,266,327**	4,854,500
Zakat and donation income		**6,316,548**	985,003
Profit on saving accounts		**14,625,621**	331,290
Employee benefits income		**4,519,866**	2,466,840
Others		**1,059,434**	1,780,414
		288,895,976	32,599,793

16 MEDICINES AND OTHER SUPPLIES CONSUMED

	2024	2023
Opening stock	**384,844,206**	361,368,803
Add: purchases during the year	**1,094,396,598**	867,291,432
Add: donations received during the year	**246,513**	782,208
Less: closing stock	**(496,624,301)**	(384,844,206)
Consumed during the year	**982,863,016**	844,598,237

Purchase includes Rs.274.03 million (2023: Rs.121.93 million) purchase for Larkana unit.

17 AUDITOR'S REMUNERATION

	2024	2023
Audit fee including sales tax on services	**1,748,590**	1,571,400
Auditors out of pocket expenses	**180,500**	125,500
	1,929,090	1,696,900

18 TRANSACTIONS WITH RELATED PARTIES

Related parties include Government of Sindh, Board of Governors (BOG), associated undertakings in which Governors hold common directorship / membership and key management personnel of the Institute. All related party transactions are measured in accordance with the terms agreed with the related parties. Details of transactions with related parties, other than those which have been disclosed elsewhere in the financial statements are as follows:

	2024	2023
Relationship with related parties and nature of transactions	-------------Rupees-------------	
Government of Sindh		
Grant Income received during the year	**4,165,772,329**	3,289,009,694
Income accrued on account of K-Electric bill	**249,828,936**	-

19 REMUNERATION OF EXECUTIVE DIRECTOR, BOG AND EXECUTIVES

The aggregate amounts charged in these financial statements in respect of remuneration, including certain benefits to executive director, members of the BOG and executives of the Institute, are as follows:

Particular	**2024**			
	Executive Director	**Members of BOG**	**Executives**	**Total**
Basic Salary	**4,800,000**	**-**	**47,454,167**	**47,454,167**
Other Benefits and allowances	**16,149,677**	**-**	**165,309,719**	**165,309,719**
	20,949,677	**-**	**212,763,886**	**212,763,886**
Number Of Persons	**1**	**11**	**25**	

Particular	2023			
	Executive Director	Members of BOG	Executives	Total
Basic Salary	1,600,000	-	48,600,000	48,600,000
Other Benefits and allowances	8,258,065	-	128,082,876	128,082,876
	9,858,065	-	176,682,876	176,682,876
Number Of Persons	1	11	28	

Members of BOG works for the Institute without any remuneration.

	2024	2023
20 NUMBER OF EMPLOYEES	-------------Number-------------	
Number of employees including contractual employees at the end of year	**1,370**	1,229
Average number of employees including contractual employees during the year	**1,300**	1,205

	2024	2023
21 FINANCIAL INSTRUMENTS BY CATEGORY	-------------Rupees-------------	
Financial Assets		
At fair value		
Receivables from Government of Sindh	**381,070,781**	131,241,845
Advance, prepayment and other receivable	**6,680,633**	9,708,770
Cash at banks	**206,559,869**	32,102,135
	594,311,283	173,052,750

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Financial liabilities	2024	2023
	------------Rupees------------	
At fair value		
Project director's liability	**131,241,845**	131,241,845
Trade, accrued liabilities and other payables	**466,875,145**	112,093,101
	598,116,990	243,334,946

22 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is the presumption that the Company is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.
IFRS 13 'Fair Value Measurement' requires the Company to classify fair value measurements and fair value hierarchy that reflects the significance of the inputs used in making the measurements of fair value hierarchy has the following levels:

- **Level 1**: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2**: Inputs other than quoted prices included within level 1 that are observable for the asset either directly that is, derived from prices.
- **Level 3**: Inputs for the asset or liability that are not based on observable market data (that is unadjusted) inputs.

	Level I	Level II	Level III	Total
As At June 30, 2024				
Receivables from Government of Sindh	-	**381,070,781**	-	**381,070,781**
Advance, prepayment and other receivable	-	**6,680,633**	-	**6,680,633**
Cash at banks	-	**206,559,869**	-	**206,559,869**
	-	**594,311,283**	-	**594,311,283**

	Level I	Level II	Level III	Total
As At June 30, 2023				
Receivables from Government of Sindh	-	131,241,845	-	131,241,845
Advance, prepayment and other receivable	-	9,708,770	-	9,708,770
Cash at banks	-	32,102,135	-	32,102,135
	-	173,052,750	-	173,052,750

23 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Institute's activities expose it to a variety of financial risks such as market risk (including price risk), credit risk and liquidity risk. The BOG has overall responsibility for the establishment and oversight of the Institute's risk management framework. The BOG is also responsible for developing and monitoring the Institute's risk management policies.

23.1 Market risk

Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Institute is not materially exposed to price risk as it does not have any significant price sensitive instruments.

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Credit risk

Credit risk represents the risk of financial loss being caused if counter party fails to discharge an obligation. Credit risk arises from deposits with banks and financial institutions, deposits and other receivables. The credit risk on liquid funds is limited because the counter parties are banks with reasonably high credit rating. The Institute monitors the credit quality of its financial assets with reference to historical performance of such assets and available external credit ratings.

Out of the total financial assets of Rs. 574.3 millon (2023: Rs. 173.05 million) the financial assets exposed to credit risk amount to Rs. 574.3 miilion (2023: Rs. 173.05 million). The carrying values of financial assets exposed to credit risk which are neither past due nor impaired are as follows:

	2024	2023
	'--------------**Rupees**--------------	
Receivables from Government of Sindh	**381,070,781**	131,241,845
Advance, prepayment and other receivable	**6,680,633**	9,708,770
Cash at banks	**206,559,869**	32,102,135
	594,311,283	173,052,750

Credit risk from bank deposits is managed by placing deposits with banks / mutual funds having sound credit ratings. The credit quality of Institute's bank balances can be assessed with reference to external credit ratings as follows:

Banks	**Rating**		
	Agency	**Short term**	**Long term**
Habib Bank Limited	VIS	A-1+	AAA
Sindh Bank Limited	VIS	A-1	AA-
United bank Limited	VIS	A-1+	AAA
Allied Bank Limited	PACRA	A-1+	AAA
National Bank of Pakistan	PACRA	A-1+	AAA

23.2 Liquidity risk

Liquidity risk represents the risk that the Institute will encounter difficulties in meeting obligations associated with financial liabilities. The Institute's liquidity management involves maintaining sufficient cash, projecting cash flows and considering the level of liquid assets necessary to meet obligations associated with financial liabilities. The table below analyses the Institute's financial liabilities held at amortized cost into relevant maturity groupings based on the remaining period at the reporting date to contractual maturity dates. The amounts disclosed in the table are the contractual undiscounted cash flows:

	June 30, 2024		
	Maturity up to one year	**Maturity after one year**	**Total**
Project director's liability	**131,241,845**	-	**131,241,845**
Trade payables, accrued liabilities and other payables	**466,875,145**	-	**466,875,145**
	598,116,990	-	**598,116,990**

	June 30, 2023		
	Maturity up to one year	Maturity after one year	Total
Project director's liability	131,241,845	-	131,241,845
Trade payables, accrued liabilities and other payables	112,093,101	-	112,093,101
	243,334,946	-	243,334,946

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24 Segment reporting

24.1 The management has determined the operating segments based on the information that is presented to the Board of Governers of the Institute for allocation of resources and assessment of performance. Based on internal management reporting structure and services provided, the operations of the Institute is divided into the following operating segments:

Name of segment	**Nature of operations**
Karachi Centre	To undertake emergency treatment and acquire latest physical facilities necessary for carrying out investigation and treatment of various diseases and injuries in the field of Orthopedic Surgery, Neurosurgery, Traumatology, Vascular Surgery and Rehabilitation;
Larkana Centre	To provide the optimum, emergency, subsequent definite treatment and post-trauma rehabilitation to the accident injured victims, triaged from accident site and referred from Karachi, outskirts, satellite trauma center of the Institute at other districts of the Province of Sindh;

24.2 The following information presents operating results regarding operating segments for the year ended June 30, 2024 and asset information regarding operating segments as at June 30, 2024:

	Karachi		Larkana		Consolidated	
	2024	2023	2024	2023	2024	2023
	Rupees					
INCOME						
Grant income	**3,499,217,394**	3,074,958,913	**666,554,935**	214,050,781	**4,165,772,329**	3,289,009,694
Other income	**288,895,976**	32,599,793	-	-	**288,895,976**	32,599,793
	3,788,113,370	3,107,558,706	**666,554,935**	214,050,781	**4,454,668,305**	3,321,609,487
EXPENDITURE						
Salaries, wages and other benefits	**1,336,329,620**	1,090,270,301	**94,587,773**	4,624,253	**1,430,917,393**	1,094,894,554
Medicines and other supplies consumed	**859,282,214**	778,663,192	**123,580,802**	65,935,045	**982,863,016**	844,598,237
Surplus for the year	**2,451,783,750**	**2,017,288,405**	**571,967,162**	**209,426,528**	**3,023,750,912**	2,226,714,933
SEGMENT ASSETS						
Property and equipment	**2,819,592,156**	3,125,261,252	**509,257,754**	669,182,656	**3,328,849,910**	3,794,443,908
Intangible assets	**17,275,576**	28,792,627	-	-	**17,275,576**	28,792,627
Inventories	**399,022,664**	328,724,060	**97,601,637**	56,120,146	**496,624,301**	384,844,206
Receivable from Government of Sindh	**381,070,781**	131,241,845	-	-	**381,070,781**	131,241,845
Advance, prepayment and other receivables	**6,680,633**	9,708,770	-	-	**6,680,633**	9,708,770
Cash at banks	**206,559,869**	32,102,135	-	-	**206,559,869**	32,102,135
TOTAL SEGMENT ASSETS	**3,830,201,679**	3,655,830,688	**606,859,391**	725,302,802	**4,437,061,070**	4,381,133,490
SEGMENT LIABILITIES						
Project director's liability	**131,241,845**	131,241,845	-	-	**131,241,845**	131,241,845
Trade, accrued liabilities and other payables	**456,237,811**	111,759,101	**10,637,334**	334,000	**466,875,145**	112,093,101
Deferred liability - capital grant	**2,836,867,732**	3,154,053,879	**509,257,754**	669,182,653	**3,346,125,486**	3,823,236,532
TOTAL SEGMENT LIABILITIES	**3,424,347,388**	3,397,054,825	**519,895,088**	669,516,653	**3,944,242,476**	4,066,571,478

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25 GENERAL

Figures have been rounded off to the nearest Pak Rupee unless otherwise stated.

26 DATE OF AUTHORISATION FOR ISSUE

These financial statements were approved and authorized for issue on 18 AUG 2025 by the Board of Governors of the Institute.

EXECUTIVE DIRECTOR | **MEMBER OF BOG**