

AUDITORS' REPORT

**Brooke Hospital For Animals
(Pakistan)**

FOR THE YEAR ENDED MARCH 31, 2025

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BROOKE HOSPITAL FOR ANIMALS (PAKISTAN)

(A Company Setup under section 42 of the Companies Act, 2017)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the annexed financial statements of **BROOKE HOSPITAL FOR ANIMALS (PAKISTAN)** (the Hospital), which comprise the statement of financial position as at March 31, 2025 and the income and expenditure statement, the statement of comprehensive surplus, the statement of changes in accumulated funds, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the income and expenditure statement, the statement of comprehensive surplus, the statement of changes in accumulated funds, the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Hospital's affairs as at March 31, 2025 and of the surplus, other comprehensive surplus, the changes in accumulated funds and its cash flows for the year then ended.

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 *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Hospital 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.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Directors' report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017(XIX of 2017) 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.

In preparing the financial statements, management is responsible for assessing the Hospital'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 Hospital or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Hospital's 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 Hospital's internal control.
- 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 exists related to events or conditions that may cast significant doubt on the Hospital'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 Hospital 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 directors 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.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Hospital as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the income and expenditure statement, the statement of comprehensive surplus, the statement of changes in accumulated funds, the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Hospital's business; and
- d) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Amin Ali.

Lahore
Dated: June 27, 2025
UDIN: AR202510051KI1sPKW4c



CROWE HUSSAIN CHAUDHURY & CO.
Chartered Accountants

BROOKE HOSPITAL FOR ANIMALS (PAKISTAN)*(A Company setup under section 42 of the Companies Act, 2017)***STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2025**

	Note	2025 Rupees	2024 Rupees
ASSETS			
Non Current Assets			
Operating fixed assets	4	57,750,018	43,856,063
Right of use assets	5	13,089,331	4,350,437
Long term deposits	6	579,000	374,920
		71,418,349	48,581,420
Current Assets			
Stock - medicines	7	1,434,078	869,700
Security deposits	8	1,085,820	1,197,500
Income tax deducted at source - net	9	4,120,364	5,563,831
Advances, prepayments and other receivables	10	3,096,307	4,174,328
Cash and bank balances	11	19,426,733	6,631,098
		29,163,302	18,436,457
		<u>100,581,651</u>	<u>67,017,877</u>
FUNDS AND LIABILITIES			
Funds			
Unrestricted funds		64,908,585	53,705,139
Program restricted funds	12	-	-
		64,908,585	53,705,139
Non Current Liabilities			
Deferred grant	13	2,522,383	2,987,603
Lease liabilities against right of use assets	14	10,071,054	2,280,316
		12,593,437	5,267,919
Current Liabilities			
Security deposits payable	15	140,000	190,000
Creditors and other payable	16	20,375,371	5,804,661
Current portion of lease liabilities against right of use assets	14	2,564,258	2,050,158
		23,079,629	8,044,819
Contingencies and Commitments			
	17	-	-
		<u>100,581,651</u>	<u>67,017,877</u>

The annexed notes from 1 to 26 form an integral part of these financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR

BROOKE HOSPITAL FOR ANIMALS (PAKISTAN)*(A Company setup under section 42 of the Companies Act, 2017)***INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED MARCH 31, 2025**

	Note	2025 Rupees	2024 Rupees
INCOME			
Grant received		238,283,050	204,524,039
Profit on bank savings accounts		300,310	283,240
Gain on disposal of operating fixed assets		1,443	2,951,017
Other income		103,430	124,110
Liabilities written back		50,000	282,245
		238,738,233	208,164,651
Program restricted funds	18	165,767,359	148,526,952
Total Income		404,505,592	356,691,603
EXPENDITURE			
Hospital's Operational Expenses:			
- Salaries and allowances		102,812,531	90,430,656
- Equine owners' awareness campaign		10,021,857	5,852,394
- Medicines consumed and services rendered for equine animals		2,729,094	3,424,392
- Rent, rate, taxes and utilities		7,491,014	5,947,486
- Accommodation and travelling		17,532,773	12,321,289
- Vehicle expenses		7,633,473	7,723,154
- Insurance and other benefits		17,052,606	15,861,255
- Office expenses		7,704,726	6,034,687
- Repairs and maintenance		9,499,921	8,967,383
- Financial charges on lease liabilities	14	1,299,428	1,262,887
- Depreciation on operating fixed assets	4	5,954,963	3,520,601
- Balances written off		3,090,621	25,815
- Depreciation on right of use assets	5	1,760,767	1,806,768
		(194,583,774)	(163,178,767)
Project specific expenses incurred against program restricted funds	18	(165,767,359)	(148,526,952)
		(360,351,133)	(311,705,719)
General Administrative Expenses:			
- Salaries and allowances		20,761,984	17,849,351
- Insurance and other benefits		260,874	482,860
- Rent, rate, taxes and utilities		5,220,991	4,630,375
- Auditor's remuneration		775,000	735,000
- Legal and professional charges		1,203,294	1,916,800
- Bank charges		184,771	185,692
- Depreciation on operating fixed assets	4	2,330,348	3,645,139
- Depreciation on right of use assets	5	2,133,549	1,806,767
- Loss on disposal of operating fixed assets		80,202	-
		(32,951,013)	(31,251,984)
		(393,302,146)	(342,957,703)
Surplus before Taxation		11,203,446	13,733,900
Taxation		-	-
Net Surplus for the Year		11,203,446	13,733,900

The annexed notes from 1 to 26 form an integral part of these financial statements.


CHIEF EXECUTIVE OFFICER

DIRECTOR

BROOKE HOSPITAL FOR ANIMALS (PAKISTAN)*(A Company setup under section 42 of the Companies Act, 2017)***STATEMENT OF COMPREHENSIVE SURPLUS
FOR THE YEAR ENDED MARCH 31, 2025**

	2025	2024
	Rupees	Rupees
Net Surplus for the Year	11,203,446	13,733,900
Other comprehensive surplus for the year		
<i>Items that may be re-classified to income and expenditure</i>	-	-
<i>Items that will not be re-classified to income and expenditure</i>	-	-
	-	-
Total Comprehensive Surplus for the Year	<u>11,203,446</u>	<u>13,733,900</u>

The annexed notes from 1 to 26 form an integral part of these financial statements.



CHIEF EXECUTIVE OFFICER

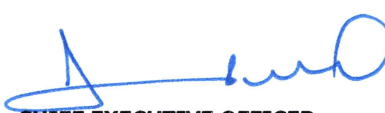


DIRECTOR

BROOKE HOSPITAL FOR ANIMALS (PAKISTAN)*(A Company setup under section 42 of the Companies Act, 2017)***STATEMENT OF CHANGES IN ACCUMULATED FUNDS
FOR THE YEAR ENDED MARCH 31, 2025**

Particulars	Unrestricted Funds	Program Restricted Funds	Total
	Rupees	Rupees	Rupees
Balance as at March 31, 2023	39,971,239	-	39,971,239
Receipts during the year	-	147,971,021	147,971,021
Grants utilized during the year	-	(147,971,021)	(147,971,021)
Net surplus for the year	13,733,900	-	13,733,900
Other comprehensive surplus for the year	-	-	-
Total comprehensive surplus for the year	13,733,900	-	13,733,900
Balance as at March 31, 2024	53,705,139	-	53,705,139
Receipts during the year	-	165,302,139	165,302,139
Grants utilized during the year	-	(165,302,139)	(165,302,139)
Net surplus for the year	11,203,446	-	11,203,446
Other comprehensive surplus for the year	-	-	-
Total comprehensive surplus for the year	11,203,446	-	11,203,446
Balance as at March 31, 2025	64,908,585	-	64,908,585

The annexed notes from 1 to 26 form an integral part of these financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR

BROOKE HOSPITAL FOR ANIMALS (PAKISTAN)*(A Company setup under section 42 of the Companies Act, 2017)***STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2025**

	Note	2025 Rupees	2024 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Surplus for the year		11,203,446	13,733,900
Adjustments for:			
- Depreciation on operating fixed assets	4	8,750,531	7,721,671
- Depreciation on right of use assets	5	3,894,316	3,613,535
- Amortization of deferred grant	13	(465,220)	(555,931)
- Financial charges on lease liabilities	14	1,299,428	1,262,887
- Advance income tax written off		2,826,736	-
- Liabilities written back		(50,000)	(282,245)
- Loss on disposal of operating fixed assets		80,202	-
- Gain on disposal of operating fixed assets		(1,443)	(2,951,017)
		16,334,550	8,808,900
Operating Surplus before Working Capital Changes		27,537,996	22,542,800
(Increase) / decrease in current assets:			
- Stock - medicines		(564,378)	136,578
- Security deposits		111,680	(64,285)
- Advances, prepayments and other receivables		1,078,021	(731,567)
Increase / (decrease) in current liabilities:			
- Security deposits payables		(50,000)	-
- Creditors and other payable		14,620,710	779,914
		15,196,033	120,640
Cash Generated from Operations		42,734,029	22,663,440
Grants received for program restricted activities		165,302,139	147,971,021
Utilization of grants against program restricted activities		(165,302,139)	(147,971,021)
Tax paid		(1,383,269)	(523,514)
Net Cash Generated from Operating Activities		41,350,760	22,139,926
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of operating fixed assets		(22,779,831)	(15,804,035)
Proceeds from disposal of operating fixed assets		56,586	3,029,736
Long term deposits - net		(204,080)	36,100
Net Cash Used in Investing Activities		(22,927,325)	(12,738,199)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of lease liabilities against right of use assets	14	(5,627,800)	(6,954,581)
Net Cash Used in Financing Activities		(5,627,800)	(6,954,581)
Net Increase in Cash and Cash Equivalents		12,795,635	2,447,146
Cash and cash equivalents at the beginning of the year	11	6,631,098	4,183,952
Cash and Cash Equivalents at the End of the Year		19,426,733	6,631,098

The annexed notes from 1 to 26 form an integral part of these financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR

BROOKE HOSPITAL FOR ANIMALS (PAKISTAN)

(A Company setup under section 42 of the Companies Act, 2017)

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Note 1

Corporate and General Information

Brooke Hospital for Animals (Pakistan) (the Hospital) was incorporated on March 20, 2001 under Section 42 of the repealed Companies Ordinance, 1984 (now the Companies Act, 2017) as a public company limited by guarantee and not having share capital. The Hospital is domiciled in Pakistan and it was established with an objective of providing free veterinary services to working equines in different cities and rural areas across Pakistan.

The information on geographical location and address of the Hospital's business units including the centers, is as under:

- Hospital's registered office - 9/295, Sarwar Road, Lahore Cantt., Pakistan
- Karachi Region - (R.C.V.H) Jinnah Road, Near Radio Pakistan, Karachi
- Lahore Region - Saeed Park, Makbara Mor, Shahdara, Lahore
- Peshawar Region - Directorate Livestock and Dairy Development Near Bacha Khan Chowk, Peshawar
- Multan Region - Bahawalpur Chock By pass, Opposite Nawab Market, Ram Killi, Multan
- Gujranwala Region - Plot 317-A, Block A Model Town, Gujranwala
- Faisalabad Region - Near Department of Clinical Medicine, University of Agriculture, Faisalabad

Note 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 comprise of:

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

Where provisions of and directives issued under the Companies Act, 2017 differ from IFRS and the Accounting Standard for NPOs, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention.

2.3 Functional and presentation currency

These financial statements are prepared and presented in Pak Rupees which is the Hospital's functional and presentation currency. All the figures have been rounded off to the nearest rupee, unless stated otherwise.

2.4 Use of estimates and judgments

The preparation of financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and related assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Note 2, Basis of Preparation - Continued...

These estimates and related assumptions are reviewed on an ongoing basis. Accounting estimates are revised in the period in which such revisions are made. Significant management estimates in these financial statements relate primarily to:

- Useful lives, residual values, depreciation method, fair value of operating fixed assets and right of use of assets – Note 3.1, 3.12, 4 & 5
- Provision for impairment of inventories - Note 3.3
- Estimation of contingent liabilities - Note 3.14
- Current income tax expense, provision for current tax and recognition of deferred tax asset (for carried forward tax losses and credits) - Note 3.10

However, the management believes that the change in outcome of estimates would not have a material effect on the amounts disclosed in these financial statements.

2.5 Changes in Accounting Standards, Interpretations and Pronouncements

2.5.1 Standards, interpretations and amendments to approved accounting standards that are effective in the current year

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, interpretations and the amendments are either irrelevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures:

Standard or Interpretation	Effective Date - Annual Periods Beginning on or after
- IAS 21 The Effects of Changes in Foreign Exchange Rates (Amendments)	January 1, 2025
- IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information	July 01, 2025
- IFRS S2 Climate-Related Disclosures	July 01, 2025
- IFRS 7 Financial Instruments Disclosures (Amendments)	January 1, 2025
- IFRS 9 Financial Instrument (Amendments)	

Other than the aforementioned standards, interpretations, and amendments, IASB has also issued the following standards, which have yet not been notified locally by the Securities and Exchange Commission of Pakistan (SECP) as at the reporting date:

- IFRS 01 - First Time Adoption of IFRS
- IFRS 18 - Presentation and Disclosure in Financial Statements
- IFRS 19 - Subsidiaries Without Public Accountability - Disclosures'

The management believes that adoption of the new standards, amendments and interpretations, which are in issue but not yet effective, is not likely to have any material impact, on the recognition, measurement, presentation and disclosure of items in the financial statements for current and future periods and foreseeable future transactions.

Note 3

Material Accounting Policy Information

Material accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented.

3.1 Operating fixed assets

Owned assets

Operating fixed assets are stated at cost less accumulated depreciation and impairment loss if any. The Cost comprises purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates and includes other costs directly attributable to acquisition or construction including expenditures on material, labour and overheads directly relating to construction, erection and installation of items of operating fixed assets.

Depreciation on operating fixed assets has been provided in income and expenditure statement using the reducing balance method at the rates specified in Note 4 and is charged to income and expenditure statement. Depreciation is charged on additions from the date the asset is available for use, and on disposals until the date the disposal is made. Depreciation method, residual value and useful lives of assets are reviewed at least at each reporting date and adjusted if impact on depreciation is significant.

Normal repairs and maintenance are charged to income and expenditure statement as and when incurred except major renewals and improvements that are capitalized. Gain or loss, if any, on disposal of operating fixed assets is included in income and expenditure statement.

3.2 Impairment

At each reporting date the Hospital assesses whether there is any indication that operating fixed assets are impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amounts. Where carrying amounts exceed the respective recoverable amounts, assets are written down to their recoverable amounts and the resulting impairment loss is recognized in the income and expenditure statement. The recoverable amount is the higher of fair value less costs to sell and value in use. In the absence of any information about the fair value, the recoverable amount is determined to be the value in use. Impairment losses are recognized as expense in the statement of income and expenditure.

3.3 Stocks of medicines

Stocks are valued at lower of cost and net realizable value. Cost is determined using weighted average basis. Net realizable value signifies the estimated selling price in the ordinary course of business less costs necessary to make the sale.

3.4 Cash and cash equivalents

For the purpose of statement of cash flows, cash and cash equivalents include cash in hand and deposits with bank in current and saving accounts.

3.5 Financial instruments

3.5.1 Financial assets

All financial assets are recognized at the time when the Hospital becomes a party to the contractual provisions of the instrument.

3.5.1.1 Classification

Financial assets are classified in either of the three categories: at amortized cost, at fair value through other comprehensive income and at fair value through profit or loss. This classification is based on the Hospital's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. The management determines the classification of its financial assets at the time of initial recognition. The Hospital has currently financial assets that are measured at amortized cost.

Note 3, Material Accounting Policy information - Continued

3.5.1.2 Initial recognition and measurement

All financial assets are initially measured at fair value plus transaction costs that are directly attributable to its acquisition except for trade receivable. Trade receivables are initially measured at the transaction price.

3.5.1.3 Subsequent measurement

Financial assets measured at amortized cost are subsequently measured using the effective interest rate method. The amortized cost is reduced by impairment losses, if any. Interest income, foreign exchange gains and losses and impairment are recognized in the income and expenditure statement.

3.5.1.4 Derecognition

Financial assets are derecognized when the contractual rights to receive cash flows from assets have expired. The difference between the carrying amount and the consideration received is recognized in profit or loss.

3.5.1.5 Impairment of financial assets

The Hospital recognizes an allowance for expected credit losses (ECLs) for all financial assets which are measured at amortised cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Hospital expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Hospital applies a simplified approach in calculating ECLs. Therefore, the Hospital does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Hospital has established a provision matrix that is based on its historical credit loss experience, adjusted for forward looking factors specific to the debtors and the economic environment.

3.5.2 Financial liabilities

3.5.2.1 Initial recognition and measurement

Financial liabilities are initially classified at amortized cost. Such liabilities are recognized at the time when the Hospital becomes a party to the contractual provisions of the instrument.

3.5.2.2 Subsequent measurement

The Hospital measures its financial liabilities subsequently at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the income and expenditure statement. Difference between carrying amount and consideration paid is recognized in the income and expenditure statement when the liabilities are derecognized.

3.5.3 Offsetting of financial assets and liabilities

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

3.6 Deferred Grant

Assets donated / purchased for specific projects on instructions of donor(s) are recognized as deferred grant. These are amortized over the useful life of the assets if no instructions are provided by the donor.

3.7 Trade and other payables

Liabilities for trade and other amounts payable are carried at cost which is the fair value of the consideration to be paid or given in future for goods and services received or to be delivered or for any other amount, whether or not billed to the Hospital.

Note 3, Material Accounting Policy information - Continued

3.8 Provisions

A provision is recognized in the statement of financial position when the Hospital has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made.

3.9 Post employment benefits

Brooke UK operates a non-funded gratuity scheme for post employment benefits of the Hospital employees, whose period of service is six months or more. Under this scheme, gratuity is paid to retiring employees on the basis of their last drawn basic salary for each completed year of service.

The payments to the retiring employees are made by the Hospital under reimbursement arrangement from Brooke UK. The Hospital does not record any expense and corresponding income for the post employment plan sponsored by Brooke UK.

As on March 31, 2025 Brooke UK has recognized Rs. 317.60 million (2024: Rs. 318.89 million) in its financial statements in respect of post employment benefits liability.

3.10 Taxation

Current

The tax-exemption certificate issued under section 100C of the Income Tax Ordinance, 2001 expired on 7 July 2023; however, the application for its renewal under section 2(36) has already been filed and is currently in process. Consequently, no tax liability arises, as the Hospital is entitled to a tax credit equal to 100 % of the tax payable, including minimum and final taxes payable under any provision of the Ordinance.

Deferred

Deferred tax is accounted for using the balance sheet date liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit. The Hospital qualifies under 100% tax credit category and therefore, no deferred tax is recognized.

3.11 Related Party Transactions

Transactions with related parties are based on the transfer pricing policy that all transactions between the Hospital and the related party are at arm's length basis determined using the comparable uncontrolled price method except in circumstances where it is not in the interest of the Hospital to do so.

3.12 Leases

At inception of a contract, the Hospital assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

3.12.1 The Hospital as a lessee

Recognition and measurement

The Hospital recognizes a right-of-use asset and a lease liability at the commencement date. A commencement date is the date on which the lessor makes an underlying asset available for use by the lessee (the Hospital).

Lease liability

At the commencement date, the Hospital measures the lease liability at the present value of the lease payments that are not paid. The lease payments are discounted using the interest rate implicit in the lease, or the Hospital's incremental borrowing rate if the implicit rate is not readily available. Generally, the Hospital uses its incremental borrowing rate as the discount rate.

Lease payments comprise fixed payments less any lease incentives receivable; variable lease payments that depend on an index or a rate; amounts expected to be payable by the Hospital under residual value guarantees; the exercise price of a purchase option if the Hospital is reasonably certain to exercise that option; and payments of penalties for terminating the lease, if the lease term reflects the Hospital exercising an option to terminate the lease.

Note 3, Material Accounting Policy information - Continued

After the commencement date, the Hospital re-measures the lease liability to reflect the affect of interest on outstanding lease liability, lease payments made, reassessments and lease modifications etc. Variable lease payments not included in the measurement of the lease liability and interest on lease liability are recognized in the income and expenditure statement.

Right-of-use asset

The right-of-use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred.

The right-of-use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred.

Subsequent measurement

Lease liability

After the commencement date, the Hospital re-measures the lease liability to reflect the effect of interest on outstanding lease liability, lease payments made, reassessments and lease modifications etc. Variable lease payments not included in the measurement of the lease liability and interest on lease liability are recognized in the income and expenditure statement, unless these are included in the carrying amount of another asset.

Lease payments are apportioned between the finance charges and reduction of the lease liability using the incremental borrowing rate implicit in the lease to achieve a constant rate of interest on the remaining balance of the liability.

Right-of-use asset

After the commencement date, the Hospital measures the right-of-use asset at cost less accumulated depreciation and accumulated identified impairment losses, if any, adjusted for any remeasurement of the lease liability.

The Hospital depreciates the cost of right-of-use asset, net of residual value, from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. However, if the lease contract transfers ownership of the underlying asset to the Hospital by the end of the lease term or if the cost of the right-of-use asset reflects that the Hospital will exercise the purchase option, the Hospital depreciates the right-of-use asset from the commencement date to the end of the useful life of the underlying asset.

Depreciation is charged to income and expenditure statement at rates given in Note 5.

3.13 Funds

3.13.1 Program restricted funds

Funds which are received on account of a specific project, prior to incurring the relevant costs are credited to the appropriate program restricted fund account. Subsequently, these sums are then transferred to the income and expenditure statement as and when the relevant expenses are incurred against the restricted activities. On the conclusion of the project any balances lying in the restricted fund account are transferred to an unrestricted fund subject to the instructions of the donor.

3.13.2 Unrestricted funds

Grants received for general purpose are treated as part of unrestricted fund. Unrestricted contributions are recognized as revenue in the period of receipt. Brooke Pakistan receives all the funding from Brooke UK.

3.14 Contingent liabilities

A contingent liability is disclosed when there is a possible obligation that arises from past events and whose existence is confirmed only by the occurrence or non-occurrence of one or more uncertain future events not entirely within the control of the Hospital.

A contingent liability is also disclosed when there is present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits would be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

Note 4
Operating Fixed Assets

	Note	2025 Rupees	2024 Rupees
Operating fixed assets	4.1	<u>57,750,018</u>	<u>43,856,063</u>
4.1 Operating Fixed Assets			
Head Office	4.5	15,728,402	15,435,307
Karachi	4.6	5,502,307	6,000,734
Lahore	4.7	2,515,496	2,824,909
Peshawar	4.8	16,519,619	3,887,090
Multan	4.9	7,545,436	8,809,564
Gujranwala	4.1	5,115,621	5,052,693
Faisalabad	4.11	4,823,137	1,845,766
		<u>57,750,018</u>	<u>43,856,063</u>

4.2 Consolidated Schedule of Operating Fixed Assets - March 31, 2025

Particulars	Office Equipment	Vehicles	Furniture and Fixture	Veterinary Instruments	Computers and Accessories	Guns and Ammunition	Total
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Cost							
Balance as at April 01, 2024	11,185,761	97,442,826	2,906,999	1,076,175	12,326,623	54,150	124,992,534
Additions	1,078,054	17,301,547	236,876	37,000	4,126,354	-	22,779,831
Disposals	(202,147)	-	(20,985)	-	(736,035)	-	(959,167)
Balance as at March 31, 2025	<u>12,061,668</u>	<u>114,744,373</u>	<u>3,122,890</u>	<u>1,113,175</u>	<u>15,716,942</u>	<u>54,150</u>	<u>146,813,198</u>
Accumulated Depreciation							
Balance as at April 01, 2024	7,662,590	61,282,603	1,845,231	867,181	9,424,716	54,150	81,136,471
Depreciation charge for the year	578,381	6,714,758	167,641	34,208	1,255,543	-	8,750,531
Disposals	(130,412)	-	(10,491)	-	(682,919)	-	(823,822)
Balance as at March 31, 2025	<u>8,110,559</u>	<u>67,997,361</u>	<u>2,002,381</u>	<u>901,389</u>	<u>9,997,340</u>	<u>54,150</u>	<u>89,063,180</u>
Written Down Value as at March 31, 2025	<u>3,951,109</u>	<u>46,747,012</u>	<u>1,120,509</u>	<u>211,786</u>	<u>5,719,602</u>	<u>-</u>	<u>57,750,018</u>
Depreciation Rate	15%	15%	15%	15%	30%	15%	-

4.3 Consolidated Schedule of Operating Fixed Assets - March 31, 2024

Particulars	Office Equipment	Vehicles	Furniture and Fixture	Veterinary Instruments	Computers and Accessories	Guns and Ammunition	Total
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Cost							
Balance as at April 01, 2023	10,986,207	84,210,590	2,641,393	1,076,175	11,676,876	54,150	110,645,391
Additions	302,397	14,527,335	241,606	-	732,697	-	15,804,035
Disposals	(78,843)	(1,295,099)	-	-	(82,950)	-	(1,456,892)
Balance as at March 31, 2024	<u>11,209,761</u>	<u>97,442,826</u>	<u>2,882,999</u>	<u>1,076,175</u>	<u>12,326,623</u>	<u>54,150</u>	<u>124,992,534</u>
Accumulated Depreciation							
Balance as at April 01, 2023	7,141,816	56,739,601	1,665,176	830,300	8,361,930	54,150	74,792,973
Depreciation charge for the year	597,846	5,766,290	176,590	36,881	1,144,064	-	7,721,671
Disposals	(73,607)	(1,223,288)	-	-	(81,278)	-	(1,378,173)
Balance as at March 31, 2024	<u>7,666,055</u>	<u>61,282,603</u>	<u>1,841,766</u>	<u>867,181</u>	<u>9,424,716</u>	<u>54,150</u>	<u>81,136,471</u>
Written Down Value as at March 31, 2024	<u>3,543,706</u>	<u>36,160,223</u>	<u>1,041,233</u>	<u>208,994</u>	<u>2,901,907</u>	<u>-</u>	<u>43,856,063</u>
Depreciation Rate	15%	15%	15%	15%	30%	15%	-

Note 4, Operating Fixed Assets- Continued...

4.4 Depreciation charge for the year has been apportioned as under:

	Head Office	Karachi	Lahore	Peshawar	Multan	Gujranwala	Faisalabad	2025	2024
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Hospital's operational expenses	1,799,291	801,093	327,578	1,358,602	1,095,827	633,059	519,755	6,535,205	3,520,600
General administrative expenses	531,057	206,442	89,513	348,766	280,247	164,142	129,939	1,750,106	3,645,140
Restricted funds	324,938	24,677	30,472	36,464	25,162	23,507	-	465,220	555,931
	<u>2,655,286</u>	<u>1,032,212</u>	<u>447,563</u>	<u>1,743,832</u>	<u>1,401,236</u>	<u>820,708</u>	<u>649,694</u>	<u>8,750,531</u>	<u>7,721,671</u>

4.4.1 The depreciation is allocated between the hospital's operational expenses and general administrative expenses on the basis of Brookes goals, currently 4 goals fall under operations and 2 under admin.

4.5 Head Office

Particulars	Office Equipment	Vehicles	Furniture and Fixture	Computers and Accessories	Total
	Rupees	Rupees	Rupees	Rupees	Rupees
Cost					
Balance as at April 01, 2024	4,916,934	21,876,610	1,262,679	5,417,853	33,474,076
Additions	606,729	3,080,232	163,076	2,254,924	6,104,961
Transfer out	-	(3,080,233)	-	(128,272)	(3,208,505)
Disposals	(87,668)	-	-	(207,266)	(294,934)
Balance as at March 31, 2025	<u>5,435,995</u>	<u>21,876,609</u>	<u>1,425,755</u>	<u>7,337,239</u>	<u>36,075,598</u>
Accumulated Depreciation					
Balance as at April 01, 2024	3,454,114	9,984,220	741,659	3,858,776	18,038,769
Depreciation charge for the year	224,901	1,783,859	79,877	566,649	2,655,286
Transfer out	-	-	-	(90,874)	(90,874)
Disposals	(64,675)	-	-	(191,310)	(255,985)
Balance as at March 31, 2025	<u>3,614,340</u>	<u>11,768,079</u>	<u>821,536</u>	<u>4,143,241</u>	<u>20,347,196</u>
Written Down Value as at March 31, 2025	<u>1,821,655</u>	<u>10,108,530</u>	<u>604,219</u>	<u>3,193,998</u>	<u>15,728,402</u>
Written Down Value as at March 31, 2024	<u>1,462,820</u>	<u>11,892,390</u>	<u>521,020</u>	<u>1,559,077</u>	<u>15,435,307</u>

4.6 Karachi

Particulars	Office Equipment	Vehicles	Furniture and Fixture	Veterinary Instruments	Computers and Accessories	Total
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Cost						
Balance as at April 01, 2024	796,907	12,621,321	339,050	142,450	1,051,536	14,951,264
Additions	58,025	89,675	-	-	397,000	544,700
Disposals	-	-	(2,150)	-	(172,540)	(174,690)
Balance as at March 31, 2025	<u>854,932</u>	<u>12,710,996</u>	<u>336,900</u>	<u>142,450</u>	<u>1,275,996</u>	<u>15,321,274</u>
Accumulated Depreciation						
Balance as at April 01, 2024	471,226	7,332,792	207,755	99,810	838,947	8,950,530
Depreciation charge for the year	49,854	795,085	19,655	6,396	161,222	1,032,212
Disposals	-	-	(1,512)	-	(162,263)	(163,775)
Balance as at March 31, 2025	<u>521,080</u>	<u>8,127,877</u>	<u>225,898</u>	<u>106,206</u>	<u>837,906</u>	<u>9,818,967</u>
Written Down Value as at March 31, 2025	<u>333,852</u>	<u>4,583,119</u>	<u>111,002</u>	<u>36,244</u>	<u>438,090</u>	<u>5,502,307</u>
Written Down Value as at March 31, 2024	<u>325,681</u>	<u>5,288,529</u>	<u>131,295</u>	<u>42,640</u>	<u>212,589</u>	<u>6,000,734</u>

Note 4, Operating Fixed Assets- Continued...

4.7 Lahore

Particulars	Office Equipment	Vehicles	Furniture and Fixture	Veterinary Instruments	Computers and Accessories	Guns and Ammunition	Total
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Cost							
Balance as at April 01, 2024	1,979,073	11,233,082	492,520	414,200	1,414,887	17,600	15,551,362
Additions	-	90,500	-	-	47,650	-	138,150
Disposals	-	-	-	-	-	-	-
Balance as at March 31, 2025	1,979,073	11,323,582	492,520	414,200	1,462,537	17,600	15,689,512
Accumulated Depreciation							
Balance as at April 01, 2024	1,500,135	9,172,662	399,198	357,395	1,279,463	17,600	12,726,453
Depreciation charge for the year	71,841	310,774	13,998	8,521	42,429	-	447,563
Disposals	-	-	-	-	-	-	-
Balance as at March 31, 2025	1,571,976	9,483,436	413,196	365,916	1,321,892	17,600	13,174,016
Written Down Value as at March 31, 2025	407,097	1,840,146	79,324	48,284	140,645	-	2,515,496
Written Down Value as at March 31, 2024	478,938	2,060,420	93,322	56,805	135,424	-	2,824,909

4.8 Peshawar

Particulars	Office Equipment	Vehicles	Furniture and Fixture	Veterinary Instruments	Computers and Accessories	Guns and Ammunition	Total
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Cost							
Balance as at April 01, 2024	975,761	14,340,506	99,150	103,475	1,159,052	36,550	16,714,494
Additions	94,000	13,802,640	47,000	37,000	396,998	-	14,377,638
Transfer in	-	-	-	-	128,272	-	128,272
Disposals	(62,359)	-	-	-	(225,092)	-	(287,451)
Balance as at March 31, 2025	1,007,402	28,143,146	146,150	140,475	1,459,230	36,550	30,932,953
Accumulated Depreciation							
Balance as at April 01, 2024	616,658	10,997,663	64,121	87,394	1,025,018	36,550	12,827,404
Depreciation charge for the year	61,008	1,522,686	8,886	5,271	145,981	-	1,743,832
Transfer in	-	-	-	-	90,874	-	90,874
Disposals	(40,031)	-	-	-	(208,745)	-	(248,776)
Balance as at March 31, 2025	637,635	12,520,349	73,007	92,665	1,053,128	36,550	14,413,334
Written Down Value as at March 31, 2025	369,767	15,622,797	73,143	47,810	406,102	-	16,519,619
Written Down Value as at March 31, 2024	359,103	3,342,843	35,029	16,081	134,034	-	3,887,090

Note 4, Operating Fixed Assets - Continued...

4.9 Multan

Particulars	Office Equipment	Vehicles	Furniture and Fixture	Veterinary Instruments	Computers and Accessories	Total
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Cost						
Balance as at April 01, 2024	768,055	16,158,220	289,350	115,830	1,193,377	18,524,832
Additions	-	72,500	26,800	-	75,520	174,820
Disposals	(36,120)	-	(18,835)	-	(26,000)	(80,955)
Balance as at March 31, 2025	731,935	16,230,720	297,315	115,830	1,242,897	18,618,697
Accumulated Depreciation						
Balance as at April 01, 2024	482,787	8,158,378	183,946	86,828	803,329	9,715,268
Depreciation charge for the year	42,738	1,201,168	18,871	4,350	134,109	1,401,236
Disposals	(14,543)	-	(8,979)	-	(19,721)	(43,243)
Balance as at March 31, 2025	510,982	9,359,546	193,838	91,178	917,717	11,073,261
Written Down Value as at March 31, 2025	220,953	6,871,174	103,477	24,652	325,180	7,545,436
Written Down Value as at March 31, 2024	285,268	7,999,842	105,404	29,002	390,048	8,809,564

4.10 Gujranwala

Particulars	Office Equipment	Vehicles	Furniture and Fixture	Veterinary Instruments	Computers and Accessories	Total
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Cost						
Balance as at April 01, 2024	1,271,101	13,443,455	196,300	209,270	1,173,546	16,293,672
Additions	102,500	81,000	-	-	704,973	888,473
Disposals	(16,000)	-	-	-	-	(16,000)
Balance as at March 31, 2025	1,357,601	13,524,455	196,300	209,270	1,878,519	17,166,145
Accumulated Depreciation						
Balance as at April 01, 2024	802,302	9,306,129	102,971	164,155	865,422	11,240,979
Depreciation charge for the year	82,611	621,997	13,999	6,767	95,334	820,708
Disposals	(11,163)	-	-	-	-	(11,163)
Balance as at March 31, 2025	873,750	9,928,126	116,970	170,922	960,756	12,050,524
Written Down Value as at March 31, 2025	483,851	3,596,329	79,330	38,348	917,763	5,115,621
Written Down Value as at March 31, 2024	468,799	4,137,326	93,329	45,115	308,124	5,052,693

Note 4, Operating Fixed Assets - Continued...

4.11 Faisalabad

Particulars	Office Equipment	Vehicles	Furniture and Fixture	Veterinary Instruments	Computers and Accessories	Total
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Cost						
Balance as at April 01, 2024	477,930	7,769,632	227,950	90,950	916,372	9,482,834
Additions	216,800	85,000	-	-	249,289	551,089
Transfer in	-	3,080,233	-	-	-	3,080,233
Disposals	-	-	-	-	(105,137)	(105,137)
Balance as at March 31, 2025	694,730	10,934,865	227,950	90,950	1,060,524	13,009,019
Accumulated Depreciation						
Balance as at April 01, 2024	335,368	6,330,759	145,581	71,599	753,761	7,637,068
Depreciation charge for the year	45,428	479,189	12,355	2,903	109,819	649,694
Disposals	-	-	-	-	(100,880)	(100,880)
Balance as at March 31, 2025	380,796	6,809,948	157,936	74,502	762,700	8,185,882
Written Down Value as at March 31, 2025	313,934	4,124,917	70,014	16,448	297,824	4,823,137
Written Down Value as at March 31, 2024	142,562	1,438,873	82,369	19,351	162,611	1,845,766

4.12 These Operating fixed assets include written down value of Rs. 2,522,383 (2024: 2,987,603) which were procured for the project titles "Scaling up Animal Welfare Standards in Pakistan's Brick Kilns - Alborada Trust." These fixed assets were recognised as deferred grant and are being depreciated over the useful life of assets. Following is the region wise detail of assets procured.

Region	Cost			Accumulated Depreciation			Written Down Value as at March 31, 2025	Written Down Value as at March 31, 2024
	Balance as at April 01, 2024	Additions during the Year	Balance as at March 31, 2025	Balance as at April 01, 2024	Depreciation Charged for the Year	Balance as at March 31, 2025		
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Head Office	3,105,966	-	3,105,966	1,053,576	324,938	1,378,514	1,727,452	2,052,390
Karachi	253,000	-	253,000	88,487	24,677	113,164	139,836	164,513
Lahore	361,500	-	361,500	158,351	30,472	188,823	172,677	203,149
Peshawar	373,848	-	373,848	130,753	36,464	167,217	206,631	243,095
Multan	251,000	-	251,000	83,254	25,162	108,416	142,584	167,746
Gujranwala	241,000	-	241,000	84,290	23,507	107,797	133,203	156,710
	4,586,314	-	4,586,314	1,598,711	465,220	2,063,931	2,522,383	2,987,603

4.13 The aggregate book values of operating fixed assets disposed of during the year are below Rupees 5 million.

Note 5
Right of Use Assets

	Head Office	Karachi	Lahore	Peshawar	Multan	Gujranwala	Faisalabad	2025	2024
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
2025									
<i>Gross Carrying Amount Basis:</i>									
Operating cost	9,263,841	-	6,858,580	-	3,000,902	-	-	19,123,323	19,123,323
Add: Addition during the year	12,633,210	-	-	-	-	-	-	12,633,210	-
Closing balance	21,897,051	-	6,858,580	-	3,000,902	-	-	31,756,533	19,123,323
Operating accumulated depreciation	8,183,059	-	4,789,287	-	1,800,540	-	-	14,772,886	11,159,351
Depreciation charge for the year	2,133,549	-	1,460,677	-	300,090	-	-	3,894,316	3,613,535
Closing balance	10,316,608	-	6,249,964	-	2,100,630	-	-	18,667,202	14,772,886
Net Book Value	11,580,443	-	608,616	-	900,272	-	-	13,089,331	4,350,437

Net Carrying Amount Basis:

Operating balance	1,080,782	-	2,069,293	-	1,200,362	-	-	4,350,437	7,963,972
Add: Addition during the year	12,633,210	-	-	-	-	-	-	12,633,210	-
Depreciation charge for the year	(2,133,549)	-	(1,460,677)	-	(300,090)	-	-	(3,894,316)	(3,613,535)
Closing balance	11,580,443	-	608,616	-	900,272	-	-	13,089,331	4,350,437
Lease Term (Months)	60	-	36	-	120	-	-	36-120 Months	36-120 Months
Remaining lease Term (Months)	55	-	5	-	36	-	-	5-55 Months	6-56 Months
Depreciation rate	20%	-	33%	-	10%	-	-	10%-33%	10%-33%

Note 6
Long Term Deposits

	Head Office	Karachi	Lahore	Peshawar	Multan	Gujranwala	Faisalabad	2025	2024
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Long term deposits	-	-	450,000	29,000	-	100,000	-	579,000	374,920

6.1 These include the security deposits given against rent and does not contain any amount that should be classified to current assets.

Note 7
Stock - Medicines

	Head Office	Karachi	Lahore	Peshawar	Multan	Gujranwala	Faisalabad	2025	2024
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Medicines	-	93,692	330,352	344,948	275,741	97,304	292,041	1,434,078	869,700

Note 8
Security Deposits

	Head Office	Karachi	Lahore	Peshawar	Multan	Gujranwala	Faisalabad	2025	2024
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Security Deposits	120,000	190,920	319,900	150,000	80,000	115,000	110,000	1,085,820	1,197,500

8.1 These include the security deposits given to suppliers of fuel and does not contain any amount that should be classified to non current assets.

Note 9
Income Tax Deducted at Source - Net

	Head Office	Karachi	Lahore	Peshawar	Multan	Gujranwala	Faisalabad	2025	2024
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Income tax deducted at source - net	1,359,721	370,833	288,425	1,071,295	412,036	535,647	82,407	4,120,364	5,563,831

Note 10
Advances, Prepayments and Other Receivables

	Head Office	Karachi	Lahore	Peshawar	Multan	Gujranwala	Faisalabad	2025	2024
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Advances to suppliers	-	663,750	-	-	-	-	-	663,750	11,000
Advances to employees against expenses	70,000	-	-	-	-	-	-	70,000	-
Prepayments	1,263,433	258,912	68,641	49,173	9,851	-	11,302	1,661,312	1,845,414
Staff loan	648,003	-	-	-	-	-	-	648,003	1,576,162
Receivable - The Brooke UK	10.1	-	-	-	-	-	-	-	741,752
National Hospital Insurance Fund Control Account	10.2	39,492	-	-	-	-	-	39,492	-
Other receivable	13,750	-	-	-	-	-	-	13,750	-
	2,034,678	922,662	68,641	49,173	9,851	-	11,302	3,096,307	4,174,328

10.1 This includes loan amounting to Rs. Nil (2024: 734,284) provided to key management personnel during the year. This loan is recoverable within next 12 months.

10.2 This represents amount receivable in Pak rupees from Brooke UK against reimbursement of expenses. The maximum outstanding amount during the year is Rs. 21,489,673 (2024: Rs. 16,630,621).

Note 11
Cash and Bank Balances

	Head Office	Karachi	Lahore	Peshawar	Multan	Gujranwala	Faisalabad	2025	2024
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Cash in hand	112,917	87,796	41,381	18,400	135,550	94,125	5,115	495,284	315,645
Cash at bank - current accounts	17,403,974	262,469	-	-	-	148,190	-	17,814,633	6,251,141
Cash at bank - savings accounts	11.1	-	-	612,880	495,628	-	8,308	1,116,816	64,312
	17,516,891	350,265	41,381	631,280	631,178	242,315	13,423	19,426,733	6,631,098

11.1 Profit on balances in savings accounts ranges from 11.94% to 21.74% (2024: 14.5% to 20.5%) per annum.

11.2 The above figure of cash and bank balances reconcile to the amount of cash and cash equivalents shown in the statement of cash flows at the end of financial year.

Note 12
Program Restricted Funds

	Balance as on March 31, 2024	Transferred to / from unrestricted Fund	Receipts during the Year	Fund utilized during the Year	Fund deferred during the Year	Balance as on March 31, 2025
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Scaling up Animal Welfare Standards in Pakistan's Brick Kilns - Alborada Trust (Note - 12.1)	-	-	165,302,139	(165,302,139)	-	-

12.1 Under a grant agreement with Alborada Trust, Brooke Pakistan receives support via Brooke UK to achieve the following objectives:

12.1.1 By 2026, 3000 brick kilns in 41 districts across Pakistan would have improved conditions in health and welfare of working equines.

12.1.2 This task shall be accomplished in five years i.e. from April 2021 till March 2026. Current project is a scale up of previous project ended on March 31, 2021 through which 500 brick kiln target was achieved.

12.2 Besides donors specific agreements, grant agreement letter signed with Brooke UK implies that any excess of expenditure over income or vice versa on any restricted project is transferable to Brooke UK irrespective of the donor restrictions.

Note 13
Deferred Grant

		2025	2024
	Note	Rupees	Rupees
Deferred grant	13.1	2,987,603	3,543,534
Amortization during the year		(465,220)	(555,931)
		<u>2,522,383</u>	<u>2,987,603</u>

13.1 This represents assets purchased on instructions of donor for specific project, these were treated as deferred grant as stated in Note 4.12

Note 14
Lease Liabilities against Right of Use Assets

	Head Office	Karachi	Lahore	Peshawar	Multan	Gujranwala	Faisalabad	2025	2024
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Opening balance	-	-	2,513,896	-	1,816,578	-	-	4,330,474	10,022,168
Add: Additions during the year	12,633,210	-	-	-	-	-	-	12,633,210	-
Add: Interest expense	889,786	-	266,344	-	143,298	-	-	1,299,428	1,262,887
Less: Payments made during the year	(3,168,000)	-	(1,955,800)	-	(504,000)	-	-	(5,627,800)	(6,954,581)
Gross liability	10,354,996	-	824,440	-	1,455,876	-	-	12,635,312	4,330,474
Less: Current portion	(1,320,522)	-	(824,440)	-	(419,296)	-	-	(2,564,258)	(2,050,158)
Closing balance	<u>9,034,474</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,036,580</u>	<u>-</u>	<u>-</u>	<u>10,071,054</u>	<u>2,280,316</u>

14.1 Maturity analysis of contractual cash flows

	March 31, 2025			March 31, 2024		
	Within one year	Later than one year but not later than five years	Later than five years	Within one year	Later than one year but not later than five years	Later than five years
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Undiscounted cash flows	<u>4,835,800</u>	<u>13,816,157</u>	<u>-</u>	<u>2,459,800</u>	<u>2,503,000</u>	<u>-</u>
Discounted cash flows	<u>3,634,390</u>	<u>9,000,922</u>	<u>-</u>	<u>2,269,586</u>	<u>2,060,888</u>	<u>-</u>

14.2 Summary of amounts relating to leases charged in different line items of the financial statements is as follows:

	Included in	Note	2025	2024
			Rupees	Rupees
Carrying amount of ROU assets	Statement of financial position	5	13,089,331	4,350,437
Depreciation charge	Income and expenditure statement	5	3,894,316	3,613,535
Interest expense	Income and expenditure statement	14	1,299,428	1,262,887
Repayment of lease liability	Statement of cash flows	14	(5,627,800)	(6,954,581)

14.3 Nature of leasing activities

The Hospital leases comprise space taken for its head office and regional offices. Periodic rentals are fixed over the lease term with an incremental cost of 10% each year. These neither contain any variable lease payments nor any lease incentives. The Hospital is not committed to any lease not yet commenced as at the reporting date.

Remaining lease term of existing lease contracts for which lease liability is booked ranges from 1 to 5 years (2024: 1 to 4 years).

Note 15

Security Deposits Payable

	Head Office	Karachi	Lahore	Peshawar	Multan	Gujranwala	Faisalabad	2025	2024
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Security deposits payable	90,000	-	-	-	-	50,000	-	140,000	190,000

15.1 These security deposits are received from various suppliers of medicines. As per signed agreement, the Hospital has the right to utilize the amounts of these security deposits for the purpose of operations; hence the amounts are not required to be kept in a separate bank account maintained in a scheduled bank.

Note 16

Creditors and Other Payable

	Head Office	Karachi	Lahore	Peshawar	Multan	Gujranwala	Faisalabad	2025	2024
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Creditors	-	28,620	-	-	-	532,561	-	561,181	-
Payable - The Brooke UK	14,105,608	-	-	-	-	-	-	14,105,608	-
Payable to employees against expenses	-	-	114,692	-	-	-	-	114,692	-
Accrued liabilities	2,863,275	1,499	57,009	-	-	117,231	-	3,039,014	3,947,812
Withholding taxes payable	2,542,894	5,653	6,329	-	-	-	-	2,554,876	1,856,849
	19,511,777	35,772	178,030	-	-	649,792	-	20,375,371	5,804,661

16.1 Payable - The Brooke UK represents amount payable in Pak rupees to Brooke UK against reimbursement of expenses. The maximum outstanding amount during the year is Rs. 16,630,621 (2024: Nil).

Note 17

Contingencies and Commitments

There are no contingencies and commitments outstanding as at reporting date (2024: Nil).

Note 18

Program Restricted Funds

	Note	2025 Rupees	2024 Rupees
INCOME			
Program restricted fund	19.1	165,302,139	147,971,021
Amortization of deferred grant		465,220	555,931
		165,767,359	148,526,952
EXPENDITURE			
Equine owners' awareness campaign		17,626,381	17,558,970
Medicine consumed and services rendered for equine animals		8,956,495	6,972,498
Rent, utilities and others		1,214,156	1,099,534
Accommodation and travelling		5,323,391	4,439,098
Vehicle expenses		9,112,362	9,846,340
Repairs and maintenance		3,202,213	2,677,486
Office expenses		294,654	88,025
Salaries and allowance		119,301,478	104,972,539
Insurance and terminal benefits		271,009	316,531
Depreciation on operating fixed assets		465,220	555,931
Total expenditures	19.1	(165,767,359)	(148,526,952)
Surplus / (Deficit)		-	-

18.1 This represents the program restricted funds received from donor. The utilization of funds has been restricted to the extent of actual amounts incurred on mandate activities as mentioned in note 12.

18.2 The center-wise allocation of these expenditures is as follow:

	Head Office	Karachi	Lahore	Peshawar	Multan	Gujranwala	Faisalabad	2025	2024
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Center-wise allocation	120,529,770	6,080,859	6,879,069	16,014,113	5,857,790	6,536,924	3,868,834	165,767,359	148,526,952

Note 19
Centre-wise Income and Expenditure Account

	Note	Head office	Karachi	Lahore	Peshawar	Multan	Gujranwala	Faisalabad	2025	2024
		Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
INCOME										
Grant received		238,283,050	-	-	-	-	-	-	238,283,050	204,524,039
Profit on bank saving accounts		-	-	-	150,417	149,364	-	529	300,310	283,240
Gain on disposal of fixed assets		-	-	60,800	15,000	2,000	21,450	1,443	103,430	2,951,017
Other income - scrap sale		-	-	50,000	-	-	-	4,180	50,000	124,110
Liabilities written back		-	-	-	-	-	-	-	-	282,245
		238,283,050	-	110,800	165,417	151,364	21,450	6,152	238,738,233	208,164,651
Transferred from program restricted funds against utilization	19.1	120,529,770	6,080,859	6,879,069	16,014,113	5,857,790	6,536,924	3,868,834	165,767,359	148,526,952
		358,812,820	6,080,859	6,989,869	16,179,530	6,009,154	6,558,374	3,874,986	404,505,592	356,691,603
EXPENDITURE										
Equine owners' awareness campaign		6,260,991	1,597,987	1,077,984	942,788	239,313	(50,687)	(46,519)	10,021,857	5,852,394
Medicine consumed and services rendered for equine animals		-	1,691,485	(650,132)	(65,032)	126,149	837,970	788,654	2,729,094	3,424,392
Rent, rate and taxes and utilities	19.2	5,220,991	724,159	962,678	1,266,128	1,554,710	2,359,020	624,319	12,712,005	10,577,861
Accommodation and travelling		13,468,519	2,126,447	(35,525)	63,274	1,019,789	666,184	224,085	17,532,773	12,321,289
Vehicle running expenses		2,055,484	1,567,931	465,142	175,406	1,209,874	492,365	1,667,271	7,633,473	7,723,154
Office expenses		3,810,294	1,219,130	617,223	164,761	981,652	583,597	328,069	7,704,726	6,034,687
Repairs and maintenance		2,775,092	1,231,118	878,312	1,065,472	1,173,897	1,297,228	1,078,802	9,499,921	8,967,383
Salaries and allowance		121,312,730	6,386,339	-	(6,386,339)	-	-	-	121,312,730	108,280,007
Insurance and terminal benefits	19.3	19,139,371	205,976	45,950	(1,443)	250,293	(96,942)	32,060	19,575,265	16,344,115
Auditor's remuneration		775,000	-	-	-	-	800	-	775,000	735,000
Legal and professional charges		1,202,494	29,466	-	18,922	109,125	1,180	1,345	1,203,294	1,916,800
Bank charges		23,178	1,007,535	1,555	1,707,368	1,376,074	797,201	649,694	184,771	185,692
Depreciation on operating fixed assets		2,330,348	-	417,091	-	300,090	-	-	8,285,311	7,165,740
Depreciation on right of use assets		2,133,549	-	1,460,677	-	-	-	-	3,894,316	3,613,535
Financial charges on lease liabilities		889,786	-	266,344	-	143,298	-	-	1,299,428	1,262,887
Balances written off		886,550	282,882	194,948	760,504	303,456	605,117	57,164	3,090,621	25,815
Loss on disposal of fixed assets		25,199	488	-	20,278	30,600	3,637	-	80,202	-
		(182,309,576)	(18,070,943)	(5,702,247)	267,913	(8,818,320)	(7,496,670)	(5,404,944)	(227,534,787)	(194,430,751)
Project specific expenses	19.1	(120,529,770)	(6,080,859)	(6,879,069)	(16,014,113)	(5,857,790)	(6,536,924)	(3,868,834)	(165,767,359)	(148,526,952)
Surplus / (Deficit) before Taxation		55,973,474	(18,070,943)	(5,591,447)	433,330	(8,666,956)	(7,475,220)	(5,398,792)	11,203,446	13,733,900
Taxation		-	-	-	-	-	-	-	-	-
Surplus / (Deficit) for the Year		55,973,474	(18,070,943)	(5,591,447)	433,330	(8,666,956)	(7,475,220)	(5,398,792)	11,203,446	13,733,900

19.1 Program restricted funds

INCOME	Head office	Karachi	Lahore	Peshawar	Multan	Gujranwala	Faisalabad	2025	2024
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Transferred from program restricted funds against utilization	120,204,832	6,056,182	6,848,597	15,977,649	5,832,628	6,513,417	3,868,834	165,302,139	147,971,021
Amortization of deferred grant	324,938	24,677	30,472	36,464	25,162	23,507	-	465,220	555,931
	120,529,770	6,080,859	6,879,069	16,014,113	5,857,790	6,536,924	3,868,834	165,767,359	148,526,952

EXPENDITURE

Equine owners' awareness campaign	19.4	3,731,858	1,792,504	1,599,393	2,186,611	3,212,304	3,053,550	2,050,161	17,626,381	17,558,970
Medicine consumed and services rendered for equine animals		-	1,906,700	2,331,172	2,353,996	578,120	660,573	1,125,934	8,956,495	6,972,498
Rent, utilities and others		288,550	79,415	149,460	652,296	-	44,435	-	1,214,156	1,099,534
Accommodation and travelling		3,230,011	57,988	377,262	1,073,236	123,275	390,342	71,277	5,323,391	4,439,098
Vehicle running expenses		-	1,760,113	1,510,254	2,382,855	1,321,123	1,688,700	449,317	9,112,362	9,846,340
Repairs and maintenance		-	459,462	879,338	641,112	597,806	452,350	172,145	3,202,213	2,677,486
Office expenses		21,799	-	1,718	259,137	-	12,000	-	294,654	88,025
Salaries and allowance		112,915,139	-	-	6,386,339	-	-	-	119,301,478	104,972,539
Insurance and terminal benefits		17,475	-	-	42,067	-	-	-	271,009	316,531
Depreciation on operating fixed assets		324,938	24,677	30,472	36,464	25,162	23,507	-	465,220	555,931
Total expenditures		(120,529,770)	(6,080,859)	(6,879,069)	(16,014,113)	(5,857,790)	(6,536,924)	(3,868,834)	(165,767,359)	(148,526,952)
Surplus / (Deficit)		-	-	-	-	-	-	-	-	-

19.2 This includes rent of short term leases amounting to Rs. 4,596,161 (2024: Rs. 1,352,903).

19.3 This includes staff training expenses amounting to Rs. 1,601,004 (2024: Rs. 3,325,959).

19.4 From the total expenses of Karachi region an amount of Rs. 4,795,803 relates to the reimbursement of expenses of Sindh Rural Support Organization - SRSO (2024: 5,291,423) and an amount of Rs. 4,781,899 relates to the management fee (2024 : 4,513,352), and an amount of Rs. 4,622,765 relates to the reimbursement of expenses of Sukkar Foundation (2024: 4,255,752) an amount of Rs. 1,604,440 relates to the management fee (2024 : 1,438,572).

Note 20

Remuneration of Chief Executive Officer, Directors and Executives

The aggregate amounts charged in the financial statements for the year as remuneration and benefits to Chief Executive Officer, Directors and executives of the Hospital are as follows:

	2025			2024		
	Chief Executive Officer	Directors	Executives	Chief Executive Officer	Directors	Executives
	-----Rupees-----			-----Rupees-----		
Managerial remuneration	13,407,581	-	125,392,461	12,731,820	-	104,753,469
Bonus	1,584,831	-	10,085,416	1,060,985	-	10,885,754
Gratuity paid	37,522,906	-	-	-	-	-
	52,515,318	-	135,477,877	13,792,805	-	115,639,223
	1	6	48	1	6	46

- 20.1** An executive is defined as an employee, other than the chief executive officer and directors, whose annual basic salary exceeds Rs. 1.2 million in a financial year.
- 20.2** No remuneration / meeting fee is paid to any director of the Hospital. However, boarding and lodging and air tickets have been provided for attending the board meeting in United Kingdom.
- 20.3** Brooke - UK is responsible for post employment benefits paid at the time of retirement of employees.
- 20.4** Medical insurance is provided to all the permanent employees of the Hospital.
- 20.5** Chief Executive Officer is provided with the Hospital's maintained car.

Note 21

Related Party Transactions

Related parties include associated companies, directors and key management personnel. Transactions with related parties other than remuneration and benefits to key management personnel under the terms of their employment are as follows:

Transactions during the year	Basis of Relationship	Nature of Transaction	2025	2024
			Rupees	Rupees
Associated Companies				
The Brooke - UK	Grantor	Grant received	403,585,189	352,495,060
		Receipt against gratuity expense	61,873,038	25,903,062
		Expense incurred on the behalf of Brooke UK	72,374,169	17,278,626
		Receipt against reimbursement from Brooke UK	24,456,714	16,745,384
Key Management Personnel				
Muhammad Farooq	CEO	Grautity paid	-	-
Muneeb Mirza	CFO	Staff loan paid	734,294	-
Outstanding balance as at the year end				
The Brooke - UK (payable) / receivable	Grantor		(14,105,608)	741,752
Muneeb Mirza	CFO	Staff loan payable	-	734,294

- 21.1** The Brooke UK is an associated company which is incorporated in United Kingdom and is located at 2nd Floor, The Hallmark Building, 52-56 Leadenhall Street, London, United Kingdom, EC3A 2BJ. Brooke UK is a limited liability company and it provides grant to the Hospital for the welfare of equine animals. The financial statements of Brooke UK, for the year ended March 31, 2024 have been audited by another firm of Chartered Accountants and the auditors have expressed unqualified opinion on those financial statements.

Note 22

Financial Risk Management

- 22.1** The Hospital's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Hospital's overall risk management policies focus on the unpredictability of financial markets and seek to minimize potential adverse effects on the financial performance.

Risk management is carried out by the Board of Directors (the Board) of the Hospital. The Board provides principles for overall risk management, as well as policies covering specific areas such as market risk, credit risk and liquidity risk.

(a) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises currency risk, interest rate risk and other price risk.

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies. The Hospital is not exposed to any currency risk as at reporting date.

(ii) Interest rate risk

This represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

As at reporting date, the interest rate profile of the Hospital's interest bearing financial instruments was:

	2025	2024
	Rupees	Rupees
Financial assets		
Cash at bank - savings accounts	1,116,816	64,312

Cash flow sensitivity analysis for variable rate instruments

If interest rates at the reporting date, fluctuate by 1% higher / lower with all other variables held constant, income and expenditure for the year would have been Rs. 11,168 (2024: Rs. 643) higher / lower, mainly as a result of interest income on floating rates. This analysis is prepared assuming that amounts of assets as at the reporting dates were outstanding for the entire year.

(iii) Other price risk

Other 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 (other than those arising from interest rate risk or currency risk). The Hospital is not exposed to any price risk as there are no financial instruments at the reporting date that are sensitive to price fluctuations.

(b) Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Carrying amounts of financial assets represent the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	2025	2024
	Rupees	Rupees
Bank balances	18,931,449	6,315,453
Staff loan	648,003	1,576,162
Receivable - The Brooke UK	-	741,752
Accrued Income - General	13,750	-
	<u>19,593,202</u>	<u>8,633,367</u>

The credit quality of bank balances that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rate:

	Rating	Rating		2025	2024
	Short term	Long term	Agency	Rupees	Rupees
Habib Bank Limited	A1+	AAA	VIS	18,435,821	6,299,582
MCB Bank Limited	A1+	AAA	PACRA	495,628	15,871
				<u>18,931,449</u>	<u>6,315,453</u>

Note 22 - Financial Risk Management, Continued

(c) Liquidity risk

Liquidity risk is the risk that the Hospital shall encounter difficulty in meeting obligations associated with financial liabilities. The Hospital manages liquidity risk by maintaining sufficient cash and bank balance. As at the reporting date, the Hospital had Rs. 19.427 million (2024: Rs. 6.631 million) cash and bank balances. Following are the contractual maturities of financial liabilities:

Contractual maturities of financial liabilities as at March 31, 2025:

Description	Carrying Amount	Contractual Cash Flows	Within 1 Year	2-5 Years	After 5 Years
	Rupees	Rupees	Rupees	Rupees	Rupees
Creditors and other payable	3,714,887	3,714,887	3,714,887	-	-
Payable - The Brooke UK	14,105,608	14,105,608	14,105,608	-	-
Lease liabilities	12,635,312	18,651,957	4,835,800	13,816,157	-
	<u>30,455,807</u>	<u>36,472,452</u>	<u>22,656,295</u>	<u>13,816,157</u>	<u>-</u>

Contractual maturities of financial liabilities as at March 31, 2024:

Description	Carrying Amount	Contractual Cash Flows	Within 1 Year	2-5 Years	After 5 Years
	Rupees	Rupees	Rupees	Rupees	Rupees
Creditors and other payable	3,947,812	3,947,812	3,947,812	-	-
Lease liabilities	4,330,474	4,962,800	2,459,800	2,503,000	-
	<u>8,278,286</u>	<u>8,910,612</u>	<u>6,407,612</u>	<u>2,503,000</u>	<u>-</u>

(d) Fair value of financial instruments

Fair value is an amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences may arise between the carrying value and the fair value estimates.

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the reporting date. Fair value is determined on the basis of objective evidence at each reporting date. The management believes that the fair values of financial assets and financial liabilities approximate to their carrying amounts largely due to the short-term maturities of these instruments.

(e) Financial instruments by categories

Financial assets as at March 31, 2025

Description	Amortized Cost	At Fair Value Through Other Comprehensive Income	At Fair Value Through Profit or Loss	Total
	Rupees	Rupees	Rupees	Rupees
Cash and bank balances	19,426,733	-	-	19,426,733
Staff loan	648,003	-	-	648,003
Accrued Income - General	13,750	-	-	13,750
	<u>20,088,486</u>	<u>-</u>	<u>-</u>	<u>20,088,486</u>

Financial assets as at March 31, 2024

Description	Amortized Cost	At Fair Value Through Other Comprehensive Income	At Fair Value Through Profit or Loss	Total
	Rupees	Rupees	Rupees	Rupees
Cash and bank balances	6,631,098	-	-	6,631,098
Staff loan	1,576,162	-	-	1,576,162
Receivable - The Brooke UK	741,752	-	-	741,752
	<u>8,949,012</u>	<u>-</u>	<u>-</u>	<u>8,949,012</u>

Note 22 - Financial Risk Management, Continued

Financial liabilities at amortized cost

	2025	2024
	Rupees	Rupees
Creditors and other payable	3,714,887	3,947,812
Payable - The Brooke UK	14,105,608	-
Lease liabilities	12,635,312	4,330,474
	<u>30,455,807</u>	<u>8,278,286</u>

Note 23

Liabilities Arising From Financing Activities

	As at March 31,2024	Non-cash changes	Cash flows (Net)	As at March 31,2025
	Rupees	Rupees	Rupees	Rupees
Lease liabilities against right of use assets	4,330,474	13,932,638	(5,627,800)	12,635,312

	As at March 31,2023	Non-cash changes	Cash flows (Net)	As at March 31,2024
	Rupees	Rupees	Rupees	Rupees
Lease liabilities against right of use assets	10,022,168	1,262,887	(6,954,581)	4,330,474

Note 24

Number of Employees

	2025	2024
	Number	Number
Total number of employees as at March 31,	136	133
Average number of employees as at March 31,	135	135

Note 25

Authorization of Financial Statements

These financial statements were approved and authorized by the Board of Directors of the Hospital for issuance on

27 JUN 2025

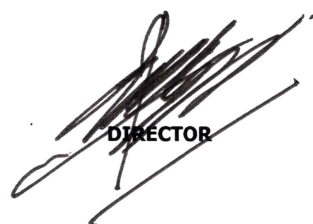
Note 26

General

Corresponding figures are re-arranged/reclassified, wherever necessary, to facilitate comparison. Following re-arrangements reclassifications have been made in these financial statements for better presentation:

Nature	From	To	Amount (Rupees)
Cost	Office Equipment	Furniture and Fixture	24,000
Accumulated Depreciation	Acc. Dep. Office Equipment	Acc. Dep. Furniture and Fixture	3,465


CHIEF EXECUTIVE OFFICER


DIRECTOR