

**Chattagram Maa-O-Shishu Hospital**  
Independent auditor's report and financial statements  
as at and for the year ended 30 June 2021

## Independent auditor's report

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To the Members of Chattagram Maa-O-Shishu Hospital

### **Qualified Opinion**

We have audited the financial statements of Chattagram Maa-O-Shishu Hospital ("the Hospital"), which comprise the balance sheet as at 30 June 2021, the income and expenditure account, statement of changes in funds, statement of receipts and payments account for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements are prepared, in all material respects, in accordance with the Constitution and the Rules and Regulations of the Hospital.

### **Basis for Qualified Opinion**

The Hospital has reported net book value of fixed assets of BDT 163,131,889 as at 30 June 2021 and depreciation expense of BDT 55,177,728 for the year then ended. As the management does not maintain a fixed asset register, we were unable to obtain sufficient appropriate audit evidence as to the completeness and existence of fixed assets and accuracy of depreciation expense. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Emphasis of Matter – Basis of Accounting and Restriction on Distribution and Use**

We draw attention to Note 2 to the financial statements, which describes the basis of accounting. The financial statements are prepared to assist the Hospital in complying with the Constitution and the Rules and Regulations of the Hospital referred to above. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for Members of Chattagram Maa-O-Shishu Hospital and National Board of Revenue and should not be distributed to or used by any other party. Our opinion is not modified in respect of this matter.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation of the financial statements in accordance with the Constitution of the Hospital, the Rules and Regulations of the Hospital and the Income Tax Ordinance 1984 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.

Those charged with governance are responsible for overseeing the Hospital's financial reporting process.

## Independent auditor's report (continued)

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### **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 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, we exercise professional judgement 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.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Adeeb H. Khan, Senior Partner, Enrolment Number: 652  
Rahman Rahman Huq, Chartered Accountants  
Firm Registration Number: [N/A]

Chattogram,

DVC:

Chattagram Maa-O-Shishu Hospital  
Balance Sheet

<i>In taka</i>	<i>Note</i>	30 June 2021	30 June 2020
<b>Financed by</b>			
Capital fund	4	812,618,643	696,788,115
General fund	5	355,550,190	330,872,437
		<b>1,168,168,833</b>	<b>1,027,660,552</b>
Zakat fund	Sch - A	12,235,501	11,530,442
Engr. L.K. Siddeqi memorial benevolent fund	Sch - A	9,807,964	7,375,479
<b>Total financed</b>		<b>1,190,212,298</b>	<b>1,046,566,473</b>
<b>Assets</b>			
<b>Non-current assets</b>			
Fixed assets - at cost	6	538,152,512	473,515,865
Accumulated depreciation	6	(375,020,623)	(319,842,894)
<b>Fixed assets (WDV)</b>		<b>163,131,889</b>	<b>153,672,971</b>
Capital work-in-progress	7	1,125,301,313	520,310,238
Investments in long term FDR at face value	11	47,500,000	57,500,000
<b>Total non-current assets</b>		<b>1,335,933,202</b>	<b>731,483,209</b>
<b>Current assets</b>			
Stock and stores	8	22,129,426	18,913,449
Advances and deposits	9	4,555,485	7,864,267
Other receivables	10	6,858,383	36,654,276
Investments in short term FDR-at face value	11	37,154,084	63,654,084
Accrued interest on investments-FDR	12	63,909,432	61,302,246
Due from CMOSH Medical College	14	-	4,892,087
Cash and cash equivalents	13	318,594,480	225,669,397
<b>Total current assets</b>		<b>453,201,290</b>	<b>418,949,806</b>
<b>Current liabilities</b>			
Due to CMOSH Medical College	14	(512,120,415)	-
Liabilities for expenses	15	(58,791,992)	(52,239,136)
Security deposits	16	(4,068,658)	(4,268,658)
Other liabilities	17	(22,340,651)	(43,966,023)
Provision for income tax	23	(1,600,478)	(3,392,724)
<b>Total current liabilities</b>		<b>(598,922,194)</b>	<b>(103,866,541)</b>
<b>Net current assets</b>		<b>(145,720,904)</b>	<b>315,083,265</b>
<b>Capital employed</b>		<b>1,190,212,298</b>	<b>1,046,566,473</b>

The notes set out on pages 11 to 31, and the schedules A, B, C, and D are an integral part of these financial statements.

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Director-Admin

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Treasurer

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General Secretary

\_\_\_\_\_  
President

As per our annexed report of same date.

Chattogram,

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Auditor

DVC:

Chattagram Maa-O-Shishu Hospital  
Income and expenditure account

For the year ended 30 June 2021

<i>In taka</i>	<i>Note</i>	<b>2021</b>	<b>2020</b>
<b>Income</b>			
Operating income	18	879,496,956	614,586,707
50% of donation in cash	Sch - B	2,205,683	1,455,000
Donation in kinds	Sch - C	3,044,693	2,882,117
Non-operating income	19	26,513,165	30,687,252
Other subscription and donation	20	30,000	30,000
Other income	21	83,010	2,050,040
<b>Total income</b>		<b>911,373,507</b>	<b>651,691,116</b>
<b>Expenditure</b>			
Salary, allowances and honorarium		400,952,037	327,994,940
Overtime		1,510,873	-
Contribution to employees' provident fund		8,177,615	7,945,067
Electricity, gas and water (net)		23,014,765	15,564,248
Telephone and mobile bill (net)		259,748	744,206
Parcel commission		-	340,263
Cleaning and washing		4,738,532	3,942,828
Printing and stationery		6,401,467	5,039,254
Bulletin, printing and distribution (net)		80,625	63,500
Travelling and conveyance		1,444,794	1,532,562
Repairs and up-keep and electrical goods expenses		13,656,559	10,630,565
Postage and stamps		27,755	53,869
Advertisement		2,571,713	954,062
Oxygen		34,669,076	10,087,697
X-Ray plates, chemicals and other expenses		5,655,305	3,757,011
Photography expenses		3,408	1,330
O. T. consumables		21,702,623	14,856,418
Entertainment		478,879	553,721
Food for staff		240,024	2,341,792
Audit fee including VAT		79,350	97,800
Legal and professional fees		92,500	207,625
A.G.M. and other celebrations		1,516,352	216,012
Child development centre expenses(C.D.C)		155,495	105,854
Oil and lubricants for motor car and generator (net)		4,170,646	6,878,979
Surgeons', assistants', anesthesia fee and consultants' fee		9,496,880	10,862,593
Linen and utensils		4,990,565	3,680,346
Newspapers and periodicals		8,299	2,412
Depreciation on fixed assets	6	55,177,728	49,323,593
Gardening expenses		1,335	3,720
Dish, E-mail and internet charges		318,005	364,250
E.C.G. paper and chemicals		384,650	184,195
Ultrasonography expenses		110,000	471,520
Miscellaneous expenses		1,364,355	556,040
Therapists' expenses		900,000	900,000
City corporation tax	22	382,500	382,500
Registration expenses		1,202,574	509,944
Dental department expenses		156,260	60,161
Eye department expenses		107,148	4,240
EPI unit expenses		4,461,806	4,916,584
Dialysis unit expenses		4,573,989	3,384,060
Echo and EEG unit expenses		709,626	739,196
I.D card expenses (net)		22,680	15,940
Cost of medicine		165,081,495	108,374,632
Bulb and other replacement		1,288,522	1,048,234
Gastroenterology unit expenses		586,505	448,816
Contribution to Engr. L.K Siddiqi memorial benevolent fund		4,573,616	2,974,883
Cytopathology and Orthopaedic dept. expenses		237,312	210,939
Software service charges		526,000	475,880
ICU ambulance expenses		385,593	189,900
Biochemistry		18,181,372	13,956,930
Microbiology		7,257,210	4,928,200
Blood transfusion expense		1,320,780	805,922
Obstratic and ENT department expenses		1,565,944	1,926,603
C.T scan expenses		1,295,245	634,740
Oncology and radio therapy unit expenses		232,199	130,716
<b>Balance carried forward</b>		<b>818,500,334</b>	<b>626,377,292</b>

