



Striving for a Healthier Pakistan

The Health Foundation

ANNUAL REPORT

2009 - 2010

AWARENESS
PREVENTION
COLLABORATION
CURE





Chairman's Message

Mr. Saeed Allawala

The Health Foundation (THF) is the coming together in the shape of a non-governmental organization of notable members of society who share a concern for the health and happiness of the Pakistani people, especially those belonging to the less privileged strata.

THF is incorporated under the Companies Act of 1984. It started with the financial support of founder members Rashid Abdulla, Tariq Rafi, Ahsan Saleem and Saeed Allawala who contributed Rupees 2.5 million each. In addition THF got a donation of 50,000 vials of Interferon from an Argentinean firm for the free treatment of the patients. The THF first fund raising dinner was a big success, and collected over Rupees 10 million.

While the THF nurses vast ambitions that encompass the addressing of all health issues in need of attention, we have in the last two and a half years of our existence focused our time, energy and monetary resources on Hepatitis B & C, a disease that has assumed epidemic proportions in Pakistan.

Hepatitis afflicts 12 to 15 million people in the country as per a report published in Dawn (20/5/2009). Recent data of the disease suggests that a tipping point may have been reached in this epidemic, and now the disease can spread very rapidly unless emergent and comprehensive measures are taken to stop the contagion. The treatment of Hepatitis is a log term and expensive process. Considerable support is required from civil society as due to the enormity of the problem the government alone cannot be expected to control the spread of infection.

The majority of people get infected with the disease due to lack of awareness and prevention, which remains inexplicably low globally, and one in 12 people worldwide live with either chronic Hepatitis B or C, and their number is far higher than patients of HIV or cancer. The World Hepatitis Alliance observed World Hepatitis Day under the theme "Am I number 12?" to prompt people to think about the huge scale of hepatitis infection globally. An average of 20 to 25 patients suffering from liver cirrhosis and hepatic coma die every month.

However, as someone very aptly observed, in the face of adversity we cannot retreat to the convenience of being overwhelmed. I personally subscribe to what George Bernard Shaw has to say: "People are always blaming their circumstances for what they are. I don't believe in circumstances. The people who get on in this world are the people who get up and look for the circumstances they want, and if they can't find them, they make them."

The circumstances that we at the THF want, and will find, or make, involve the raising of awareness about Hepatitis that will ensure adherence to the old adage that prevention is better than cure. We want to raise the recognition profile of the THF so as to broaden our donor base and flow of funds that enables us to do more. We want to neutralize the escalating cost of diagnosis and treatment, and make it affordable to the common man already suffering under the yolk of runaway inflation. We want to implement a meaningful vaccination program. We want to undertake exhaustive research into why Hepatitis has become such a big issue in Pakistan.

Given our noble intentions and sincere desire to restore health and vigor, by the grace of Allah, to the people of Pakistan, there is no doubt in my mind that we will succeed in our mission.

I would like to register my sincere appreciation for the hard work that has been put in by our five core committees addressing Treatment (Dr. Saad Khalid Niazi); Prevention (Dr. Nasim Salahuddin); Research (Dr. Huma Qureshi); Fundraising (Ms. Qudsia Akber); and Awareness (Mr. Masood Hashmi).

While our efforts may have constituted no more than a drop in the ocean, we are not discouraged, nor disheartened. We have learnt valuable lessons from our experiences in the field. New, determined, and highly motivated cadres from civil society are joining the THF in increasing numbers, bringing fresh energy and resolve to our on-going effort.

With your help we shall prevail.

Thank you.
Saeed Allawala

Prevention is better Than Cure

WHAT IS HEPATITIS?

- It is a type of liver disease
- Inflammation of the liver is called Hepatitis
- There are many types of Hepatitis out of which B and C are life threatening

HOW DOES HEPATITIS B AND C SPREAD

- Infected blood
- Contaminated or low grade syringes and other medical equipment
- Same syringe or needle used for more than one person
- New born baby from the infected mother
- Multiple sexual partners

PREVENTION FROM HEPATITIS B AND C

Hepatitis B vaccine is available in Pakistan for the last four (4) years which is given to all new born along with the other preventive vaccines.

In addition prevent yourself from Hepatitis B and C by:

- Avoiding unnecessary injections, drips and blood transfusions
- Always use sealed pack syringes and needles
- Destroy the needle after use or ensure that it is done
- Always get blood for transfusion from known sources where they are properly tested for hepatitis
- Avoid multiple sexual partners, stick to one
- Avoid used razor blades
- Avoid tattooing
- Always use a new needle for piercing your ears and nose

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What is THE Health Foundation?

The Health Foundation (THF) is a non profit public service organization registered under section 42 of the Companies Ordinance 1984.

THF is a group of like minded individuals who are concerned about the general health of those people who subsist on a very limited income in Pakistan. This group is made up of successful entrepreneurs, experienced physicians of some repute, media and advertising personnel and those who have established a name for themselves in

social work. Each of them brings social consciousness and a wealth of experience in their respective fields. By working together on the same platform, this Group brings certain dynamism to the task at hand.

Mission

The Health Foundation aims to create awareness and promote management of various diseases in general public, with an initial special emphasis on viral hepatitis.

Vision

As the name implies, a healthy society is the over-arching goal of The Health Foundation. Education leading to awareness and prevention of all health related problems will come under its purview. The Health Foundation will provide support to those in need of treatment and unable to fully bear its cost. Half of all available resources will be committed to the treatment of health related issues and the remaining half will be spent on preventive measures and to educate the public. Public awareness of how infections spread will result in public self-monitoring and may impact the practices of various service providers.

Strategic Parameters

Short Term Goals

The initial focus of The Health Foundation is on hepatitis B and hepatitis C. It has set for itself two immediate goals.

The first is to educate the general public regarding the manifestations of hepatitis B and hepatitis C and their mode of acquisition and transmission. The second goal is to provide financial support to those suffering from these infections but unable to afford the expense for their cure. This support will be in terms of medication supplied. Since there is a vaccine available for the protection against hepatitis B, THF will pursue an immunization program in this regard.

Long Term Goals

A measurable goal for the next five years is to bring about a 1% reduction in the incidence of hepatitis B and hepatitis C in Pakistan.

THF plans to create awareness about hepatitis B and C so as to disseminate information to at least 50% – 60% of the population.

THF also plans to immunize 0.2 million people against hepatitis B in the next five years. THF aims to provide hepatitis C treatment to at least 20000 people by 2013.

BOARD MEMBERS

Dr. Jamal Ara

Dr. Naseem Salahuddin

Dr. Suhail Nawab

Ms. Gul e Rana Saeed

Dr. Haleem Khan

Mr. Syed Masood Hashmi

Dr. Saad Khalid Niaz

Mr. Abdul Latif Sheikh

Mr. Tariq Rafi

Mr. Saeed Allawala

Ms. Qudsia Akber

Dr. Shaista Wahidi

Dr. Huma Qureshi

Dr. Arshad Kamal Butt

Dr. Khalid Zaheer

Mr. Ahsan M. Saleem

Mr. Rashid Abdullah

Chairman & Chief Executive Officer

Mr. Saeed Allawala

Executive Secretary of The Board

Dr. Seher Qaiser

Project Consultant

Dr. Farhana Azim

Executive Committee Members

Mr. Saeed Allawala
Dr. Saad Khalid Niaz
Dr. Huma Qureshi
Dr. Naseem Salahuddin
Ms. Qudsia Akber
Mr. Syed Masood Hashmi

The following sub committees have been formed to carry out the tasks assigned to them by the Executive Committee whose work is reviewed by the Board periodically.

- Awareness Committee (Chaired by Mr. Masood Hashmi)
- Prevention Committee (Chaired by Dr. Naseem Salahuddin)
- Treatment Committee (Chaired by Dr. Saad Khalid Niaz)
- Fund Raising Committee (Chaired by Ms. Qudsia Akber)
- Research Committee (Chaired by Dr. Huma Qureshi)

The Chairman of each subcommittee has chosen its members from amongst The Health Foundation members and from outside the Foundation.

STATISTICAL INFORMATION ABOUT HEPATITIS B AND C

According to World Health Organization HBV (hepatitis B) has infected 2,000 million people alive today, of whom 350 million are chronically infected and therefore at risk of death from liver disease and about 100 million are chronically and incurably infected with HCV (hepatitis C) and are similarly at risk.

Unfortunately, unlike hepatitis B, which has a rate of chronicisation of about 17.5% of the number of people infected, hepatitis C turns into a chronic disease in over 70% of the people infected.

If we consider together the figures for hepatitis B and hepatitis C, we reach the astronomical figure of almost 2.2 billion people in the world infected with a serious infectious disease, of whom 450 million already developed chronic hepatitis.

The prevalence seems to be higher in Eastern Europe than in Western Europe. In industrialized countries, hepatitis accounts for 20% of cases of acute hepatitis, 70% of cases of chronic hepatitis, 40% of cases of end-stage cirrhosis, 60% of cases of hepatocellular carcinoma and 30-40% of liver transplants. The incidence of new symptomatic infections of hepatitis has been estimated to be 13 cases/100,000 persons annually. For every person that is infected with the AIDS virus, there are more than four infected with hepatitis. There are 4 million persons infected with hepatitis in the United States. The CDC (Centre for Disease Control) estimates that there are up to 26,000 new hepatitis infections in the United States every year and that hepatitis C causes 10,000 to 12,000 deaths each year.

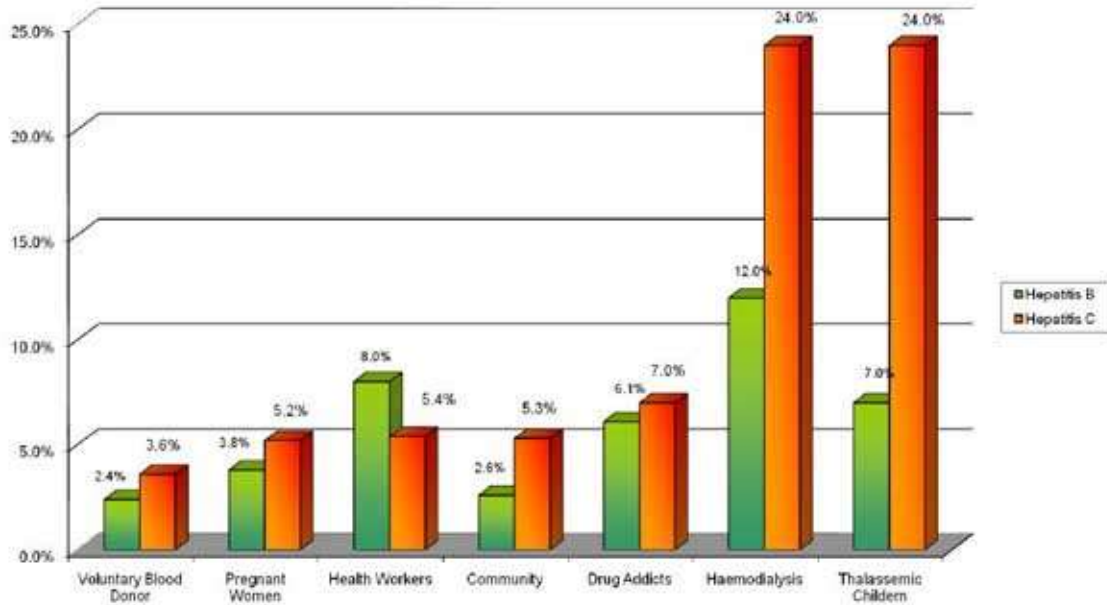
Hepatitis is a major health problem not only in Pakistan but the whole world. It is the most common cause of cancer of the liver in many countries of the world including Pakistan. Acute hepatitis can result in deaths in few days to weeks. Chronic hepatitis results in cirrhosis of the liver and its complications include blood vomiting, brain and other organs failure and liver cancer. The carrier rate of hepatitis B is estimated to be about 10% in Pakistani population, which means that almost every 10th person is carrying this deadly virus in his blood. Hepatitis C may be infecting an equal number of people or possibly even more. To our rough estimate about 1.2 billion rupees are annually lost on management of patients of hepatitis.

The disease is spreading like a jungle fire in our country and can be truly called as an epidemic which is unfortunately unrecognized not only by the common man but also by the educated class including the medical personnel's. It is a preventable disease and only simple hygienic measures are enough to fight against the spread of hepatitis. However, once the hepatitis virus gets into the body it can lead to a chronic stage which is very difficult and expensive to treat.

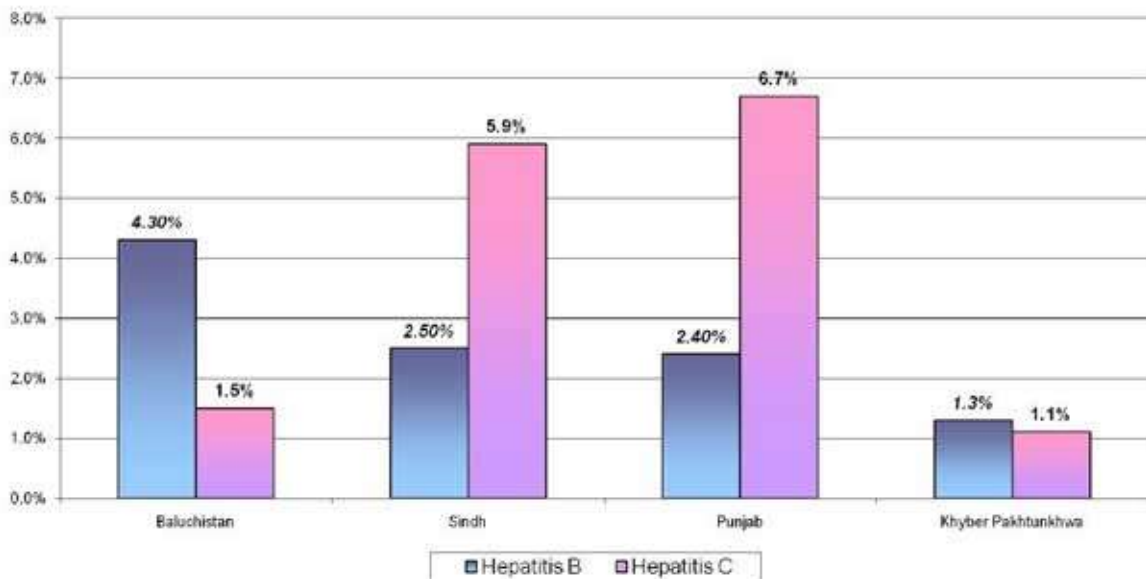
There has been considerable reporting of high incidence of hepatitis B and C in Pakistan. In the absence of substantial community based scientific studies on Hepatitis B and C, it may not be appropriate to conclude the exact magnitude of prevalence of Hepatitis B and C in Pakistan.

On the bases of more than 200 studies on Hepatitis carried out by the individuals in different groups in the country the average prevalence of hepatitis B ranges between 3-4% (6.0 million) and Hepatitis C as 5% (7.5 million) in the general public.

PREVALENCE OF HEPATITIS B & C IN DIFFERENT GROUPS



PREVALENCE OF HEPATITIS B & C IN PROVINCES OF PAKISTAN



AWARENESS

Print material has been developed and distributed to the beneficiaries of various communities. The printed leaflets contain information regarding modes of spread of hepatitis B and C with pictorial presentation of the message.

A DVD for hepatitis awareness was prepared with duration of 25 minutes and run as a pilot project in the waiting areas of OPD's of the following hospitals

- Indus Hospital
- Medilink Clinic
- JPMC Pakistan Medical Research Council (PMRC)

The pilot project was well received and now the plan is to disseminate the same program to 20 other such centres in their OPD and waiting rooms. Contact has also been made to run this DVD in the waiting lounge at all the international airports in Pakistan.

A press release was printed in Daily Times, The News and Pulse after the world hepatitis day giving the brief of the press conference. Later Daily Ummat published an article on THF activities in its health supplement.

Awareness Committee's aim is to increase awareness about hepatitis B and C in 50% of the population thus instilling a healthy lifestyle and empower the population to take actions to improve health.



WORLD HEPATITIS DAY

World hepatitis day was observed all over the world on May 19, 2009 by World Hepatitis Alliance. Pakistan also participated in this global event. In relevance to this day many activities were planned and implemented which were

30 second TVC was produced focusing on a single cause of spread of hepatitis B and C due to the reuse of syringes along with a public service message emphasizing safe injection practice. Mr Anwar Maqsood renowned satirist, painter and drama writer was chosen as the celebrity to deliver the message on Aaj TV and Samaa TV.

Radio Pakistan also aired the audio recorded version of the public service message which was heard all over Pakistan.

Dr Saad Khalid Niaz appeared as a guest speaker in a talk show on hepatitis aired by CNBC where he also highlighted the achievements of THF.

THF was represented by Dr. Seher Qaiser on VIBE channel in a talk show where the disease was discussed and achievements of THF highlighted.

Similarly the Kamran Khan show at GEO TV also took comments on hepatitis from Dr. Seher Qaiser.

A press conference was held at the Karachi Club highlighting the gravity of the disease in Pakistan. The press conference was conducted by Pakistan Medical Association, Infection Disease Society of Pakistan, Pakistan Society of Gastroenterology and THF which were represented by Dr. Samrina Hashmi, Dr. Naseem Salahuddin, Dr. Saad Khalid Niaz and Mr. Saeed Allawala. Ms. Qudsia Akber also attended the press conference as a THF representative.

Screening stalls were setup at four (4) shopping malls in Karachi namely Millenium Mall, Dolmen Mall Tariq Road, Dolmen Mall Hyderi and Park Towers Clifton. The stalls were swamped with the shoppers who were very keen to know about the disease and its prevention. There were a few whose tests came positive and they were advised to consult their Doctors for further treatment immediately.

An awareness talk was arranged at the Arts Council for the general public where a stall was arranged with information leaflets and stands for the interest of general public.

PREVENTION

To date more than 50000 children of 5 to 15 years of age have been vaccinated for hepatitis B. These children have been from various non profit school systems and destitute communities.

The institutions involved who are ensuring that their school children are vaccinated against hepatitis B are

- The Citizen Foundation
- SINA Health Education and Welfare Trust
- Al Ansar Education and Welfare Trust
- Raana Liaquat Craftsmen Colony affiliated with APWA
- Society of Education and Welfare
- CEDF

In addition to the vaccination program of school going children, THF has taken the responsibility to vaccinate the employees of the corporate sector. To date more than 2000 employees from 13 companies have been vaccinated. The companies are:

- Atco Laboratories
- Crescent Steel
- Nabiqasim Industries
- Hotel Beach Luxury
- Siddiqsons
- Institute of Business Management
- HSM Packages (Pvt) Ltd.
- Avari Towers Hotel
- Softronics
- Kohinoor Batteries
- South City Hospital
- Aaj TV
- Mustaqeem Dyeing and Printing

With the collaboration of Dr. Essa Lab, screening for hepatitis B and C was undertaken in Thatta, Sindh. The program helped establish awareness of the disease in the rural areas of the country.

The short term goal of the Preventive Committee is to vaccinate 0.2 million persons by 2013 which includes people from the corporate as well as the school going children.



TREATMENT

791 patients have been enrolled for hepatitis C and B treatment with injection interferon 3 miu and 5 miu respectively and ribavarin capsules.

The modus operandi of the program is that the needy patients register themselves at the JPMC (PMRC). They are given 12 injections of interferon per month and 9 packs of ribavarin capsules per month for which they only have to pay Rs 1,500/-. The total cost of the treatment for a six month period is Rs 40,000/-. Once on the treatment THF ensures to retrieve SVR (sustained viral response) from the patients.

An innovative methodology to facilitate treatment access to patients was introduced in April 2009. This outlet is operating at JPMC (PMRC) and headed by Dr. Saad Khalid Niaz from THF and Dr. Waqaruddin Ahmed from JPMC (PMRC). The number of patients being facilitated is 221.

Plans are in place for a similar outlet at Indus Hospital, Korangi, Karachi and Rashidabad, Tando Allah Yar, Sindh where the logistics are being arranged and will open to the public shortly.



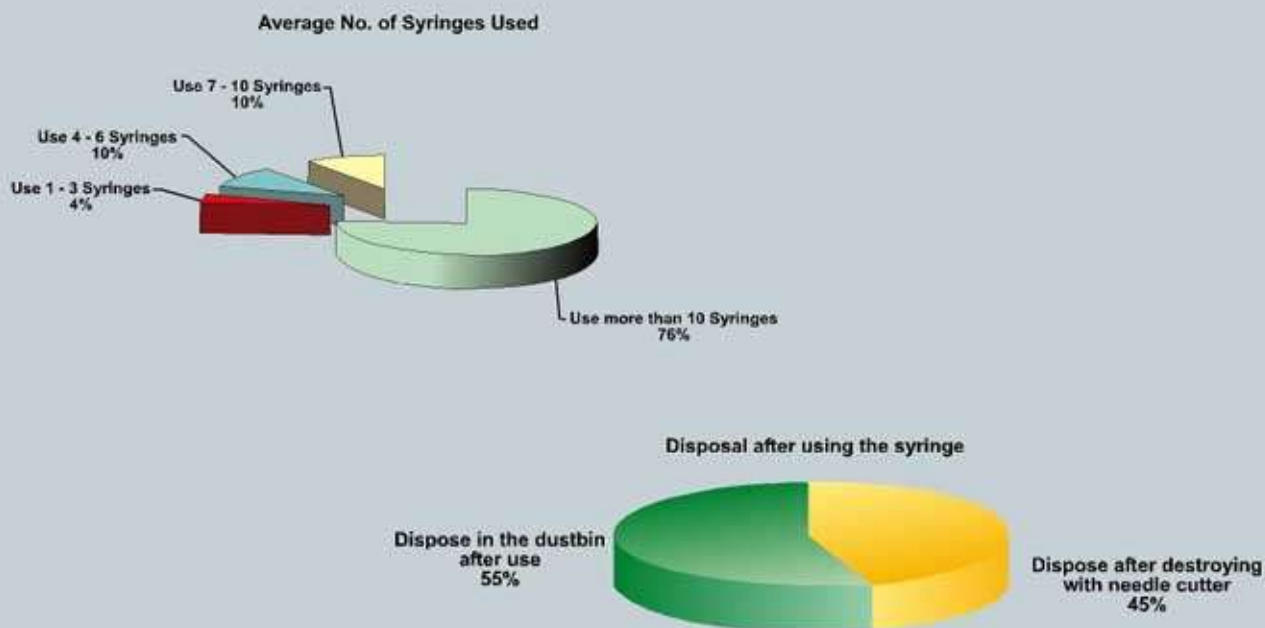
RESEARCH

Surveys have been carried out on injection use and sharp waste management by the health practitioners of Karachi.

The survey was carried out from 291 private clinics and 28 government / private hospitals in low socioeconomic areas of 18 towns of Karachi.

The survey shows a high frequency of injection use. Although disposable syringes are being used but most of the syringes are thrown in the dustbin which can be reused and are the major cause of hepatitis infection.

The highlights of the survey is presented as a graphical presentation as follows:



According to WHO report in December 2003 on Injection Safety, unsafe injections in the developing world account for about one third of new hepatitis B infections, equal to a total of nearly 21 million people infected per year and are the most common cause of hepatitis C infection, causing 2 million new infections per year.

The Research Committee has planned a pilot project to be run at JPMC for a period of 6 months for sharp waste management. The project consists of training the staff of JPMC on injection safety and use of needle removers, providing the needle removers and appropriate disposal of the waste.



THF in spite of being an organization with limited resources and fresh trail managed to acquire a noted place in the GAVI Alliance as an innovative and objectively focused managed CSO. This project is also supported by the Ministry of Health (EPI Program) and The Chief Minister's Initiative for Hepatitis Control in Sindh and endorsed by CDGK and Provincial Health Authorities.

GAVI Alliance was launched in 2000. It is a global health partnership representing stakeholders in immunization from both private and public sectors: developing world and donor governments, private sector philanthropists such as the Bill & Melinda Gates Foundation, the financial community, developed and developing country vaccine manufacturers, research and technical institutes, civil society organizations and multilateral organizations like the World Health Organization (WHO), the United Nations Children's Fund (UNICEF) and the World Bank.

Working together, Alliance members achieve objectives that no single agency or group could achieve:

- accelerate access to existing underused vaccines;
- strengthen health and immunization systems in countries;
- introduce innovative new immunization technology, including vaccines.

With this Alliance millions of deaths worldwide are prevented and this contributes to the achievement of the Millennium Development Goal of GAVI Alliance for child health i.e. a two-thirds reduction in the number of deaths in the under-fives by 2015.

The summary of the project is as follows:

Project Location:

1. Vaccinations at Shah Faisal Colony and Korangi
2. Screenings of Mothers at Korangi ; three centers
 - Sindh Govt Hospital (SGH)
 - Baldia Maternity Home
 - Chiniot General Hospital
3. Newborn Immunizations at: Korangi predominantly but also Tertiary care Hospitals in the City where Korangi target female groups might deliver
4. Injections safety Trainings at Indus Hospital in Korangi and Hepatitis Awareness Programs at APWA (RLCC) Centres in Shah Faisal Colony and Schools venue.

The table on the next page represent data to date. As the project is in progress the targets are expected to be achieved in the near future.



1) Vaccination Activity Progress against Planned Activities

Project Collective	Qtr Target	Qtr Achievement	Town Total Target	Town Total Achieved to date	Cumulative Immunization coverage achieved (as % of total target)	Qtr Deficit	Total remainder vaccinations
Children vaccinations 1 st dose:	8,000	9491	50,000	51,057	102%	Nil	Nil
Children vaccinations 2 nd dose:	23,800	21389	51,057	44,684	88%	6,373	600
Children vaccinations 3 rd dose:	3430	1595	44,684	1595	3.5 %	1835	1835

2) Screening Activity Progress against Planned Activities:

Project Collective	Qtr Target	Qtr Achievement	Town Total Target	Town Total Achieved to date	Cumulative Immunization coverage achieved (as % of total target)	Qtr Deficit	Total remainder screenings
HBsAg screening of 10,000 pregnant females in Korangi, Landhi	2,500	2751 (110%)	10,000	6052	61%	Nil	3948

3) HBIG Administration Progress against Planned Activities

Project Collective	Qtr Target	Qtr Achievement	Town Total Target	Town Total Achieved to date	Cumulative Immunization coverage achieved (as % of total target)	Qtr Deficit	Total remainder vaccinations
Immunoprophylaxis with administration of hepatitis B vaccine and immunoglobulin of infants born to HBsAg positive females within 24 hours of birth Imunoprophylaxis of all infants born to HBsAg-positive females 20 of 21 births	Imunoprophylaxis of all infants born to HBsAg-positive females 20 of 21 births	20 of 21 births (95%)	Total of all infants born to HBsAg-positive females	39** of 44 births	89%	1	Expected 100 +_

4) Awareness Session Progress against Planned Activities

Project Collective	Qtr Target	Qtr Achievement	Town Total Target	Town Total Achieved to date	Cumulative awareness achieved (as % of total target)	Qtr Deficit	Total remainder for awareness
Awareness of 500 and health practitioners and school teachers of the community regarding safe injection practices	100	61	500	204	41%	39	296
Awareness of 500 parents and targeted community school teachers about Hepatitis	none	none	500	50	10%	nil	450



FUND RAISING

A successful Dinner event took place in October 2008 to raise funds for the vision of THF in making people aware of the health related issues and supporting the needy for their treatment. THF's emphasis currently is on awareness and treatment of hepatitis B and C. A total of 375 persons attended the event who donated large sums of money including their Zakat, to the cause of THF.

List of Donees:

Ms. Naima
Mr. Rafique Bhundi
Ms. Gulzar Begum
Dr. Faisal
Mr. S. Nafis Ahmed
Mr. Pervaiz Ahmed
Mr. Amjad
Morgan Technologies
Mr. Ismail Allawala
Mrs. Usman
Naveed Ahmed / Sana Ahmed
Dr. Seema Yazdani
Mr. & Mrs. Aziz Ahmed
Mr & Mrs. Adsa
Ms. Naeema
Ms. Gulzar Begum
Mr. Khalil A. Nanitalwala

E.B.M. Ltd
James Finlay Ltd.
Mr. Naseem Allawala
Mr. Aslam Allawala
Mrs. Farnaz Ahmed
Mr. Danish Habib
Mr. Saeed Allawala
Mrs. Asifa Anees
Mr. Khalid Zaheer
Mr. Tariq Allawala
Mr. Ahmed Ismail & Family
Siddiqsons Denim Mills
Triple Tree C/o. Siddiqsons Denim
Ms. Saima Shahbaz
Mr. Tariq Rafi
Siddiqsons Denim (C/o.S. M. Muneer)
Dr. Sohail Nawab

Mr. Shafiq Ahmed (Paradise Int'l Ltd.)
Alpha Containers Industries
Mr. S.M. Ashfaq Dawawala
Barclays Bank Ltd.
National Foods Ltd.
Mr. S.M. Tanveer (Din Group)
Mr. Irfan Muneer (Din Group)
Mr. & Mrs. Masood Siddiqui
Mr. Abdullah Hashwani
Mr. Ghazanfar Rauf
Muslim Commercial Bank Ltd.
R & R Corp. (Pvt) Ltd.
National Bank of Pakistan Ltd.
Siddiqsons Tinplate
Mr. Ali Reza Gheewala
Mr. Anwar Mansoor Khan
The Tauheed Trust



AUDITORS REPORT

JALIS AHMAD & CO. CHARTERED ACCOUNTANTS

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Grams: "JALISCO"

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121-CLIFTON CENTRE,
BLOCK-5, MAIN CLIFTON ROAD,
KARACHI-75600 (PAKISTAN)

AUDITOR'S REPORT TO THE MEMBERS

We have audited the annexed Balance Sheet of **The Health Foundation** as at June 30, 2010 and the related Income and Expenditure, Statement of Comprehensive Income, Cash Flow Statement and Statement of Changes in Equity together with the notes forming part thereof, for the year then ended 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 our audit;

It is the responsibility of the company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit;

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies used and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:-

- a) in our opinion, proper books of accounts have been kept by the company as required by the Companies Ordinance, 1984;
- b) in our opinion-
- i) the Balance Sheet and income and expenditure account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied;
- ii) the expenditure incurred during the year was for the purpose of the company's business; and
- iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the company;
- c) in our opinion and to the best of our information and according to the explanations given to us, the Balance Sheet, Income and Expenditure Account, Statement of Comprehensive Income, Cash Flow Statement and Statement of Changes in Equity together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and, give the information required by the Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the company's affairs as at June 30, 2010 and of the surplus, its cash flows and changes in equity for the year then ended; and
- d) in our opinion no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

Date: 05 AUG 2010

Place: KARACHI



Jalis Ahmad & Co.
Jalis Ahmad & Co.
Chartered Accountants
Engagement Partner: Mr. Iqbal Yousaf FCA

BALANCE SHEET

AS AT JUNE 30, 2010

ASSETS

NON CURRENT ASSETS

Property, plant and equipment
Preliminary expense

CURRENT ASSETS

Other receivables
Indus Hospital (Gavi cso)
Short term Investments held to maturity
Cash and bank balances

FUND AND LIABILITIES

FUND

Sponsor's fund
Surplus / (deficit) for the year

CURRENT LIABILITIES

Creditors for goods
Liabilities for expenses
Advance from GAVI for expenses
Atco Laboratories Limited

Note	2010 Rupees	2009 Rupees
4	1,059,364	55,257
	52,000	52,000
	1,111,364	107,257
5	-	49,020
	655,615	-
6	10,500,000	10,000,000
	5,156,888	2,493,288
	16,312,503	12,542,288
	17,423,867	12,649,545
	160,100	160,100
	13,298,808	11,317,530
	13,458,908	11,477,630
	715,854	1,012,349
	105,666	159,566
	2,350,103	-
	793,336	-
	3,964,959	1,171,915
	17,423,867	12,649,545
	-	-

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

Sd/-
Chief Executive

Sd/-
Director

INCOME AND EXPENDITURE ACCOUNT

AS AT JUNE 30, 2010

Note	2010 Rupees	2009 Rupees
7	14,264,126	16,620,935
8	(12,282,848)	(7,805,211)
	1,981,278	8,815,725
	11,317,530	2,501,805
	13,298,808	11,317,530

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

Sd/-
Chief Executive

Sd/-
Director

THE HEALTH FOUNDATION

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED JUNE 30, 2010

1. Legal status and nature of business

The Health Foundation "The Company" has been incorporated in Pakistan vide company registration No. 0062669 dated August 24, 2007 as a company limited by guarantee not having share capital - established under a license from Securities and Exchange Commission of Pakistan (SECP) under Section 42 of the Companies Ordinance, 1984 and is domiciled in the province of Sindh. The company is formed with the primary object to develop, establish, setup, maintain, operate, administrator and run clinics, hospital, health center for creating awareness about prevention and treatment of all kind of infectious diseases like acquired immune deficiency syndrome (AIDS), hepatitis, typhoid and tuberculosis and assisting in diagnosing of and providing medicines for the treatment of these diseases. The registered office is situated at B-18, S.I.T.E. Mangopir Road Karachi.

2. Statement of compliance

These financial statements have been prepared in accordance with approved accounting standards, as applicable in Pakistan. Approved accounting standards comprise of Accounting and Financial Reporting Standard for Small-Sized Entities (SSEs) issued by the Institute of Chartered Accountants of Pakistan and provisions of and directives issued under the Companies Ordinance, 1984. In case the requirements differ, the provisions or directives of the Companies Ordinance, 1984 shall prevail.

3. Significant accounting policies

Accounting convention

The accounts of the company have been prepared under historical cost convention using accrual basis of accounting except for cash flow statement.

3.2 Use of critical accounting estimates and judgments

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the companies accounting policies. Estimates and judgments are continually evaluated and are based on historical experience, including expectations of future events that are believed to be reasonable under the circumstances. The areas involving a higher degree of judgments or complexity or areas where assumptions and estimates are significant to the financial statements are as follows:

- a) Provision for taxation
- b) Accrued liabilities
- c) Impairments of, doubtful trade debts, capital work in progress
- d) Useful life of operating fixed assets, intangible assets.
- e) Estimates of impairments and recoverable amounts of assets

3.3 Taxation

a) Current

Provision for current tax is based on the taxable income for the year determined in accordance with the Income Tax Ordinance, 2001. The charge for current tax is calculated using prevailing tax rate or tax rates expected to apply to the profit for the year if any.

b) Deferred tax

The company being a small sized entity does not require to account for deferred tax under Accounting and Financial Reporting Standard for Small Sized Entities.

3.4 Tangible fixed assets and depreciation

a) Owned assets

Assets in own use are stated at cost less accumulated depreciation. Depreciation is charged to income on reducing balance method using the rates specified in third schedule of Income Tax Ordinance, 2001. A full year's depreciation is charged in the year of acquisition, whereas no depreciation is charged in the year of disposal. Maintenance costs and normal repairs are charged to profit and loss account as and when incurred. Major renewals and repairs are capitalized.

b) Lease payments

Lease payments, deriving from an operating or finance lease, is recognized as an expense (on an accrual basis). If the payments are material, the expense is shown under a specific lease payment heading in the income statement. The value of the lease is not shown either as an asset or as a liability on the balance sheet.

c) Gain or loss on disposal

Gain or loss on disposal of assets, if any, is included in income currently.

3.5 Impairment of assets

The company assesses at each balance sheet date whether there is any indication that a fixed asset may be impaired except for assets in bond. 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 amounts exceed the estimated recoverable amount, assets are written down to the recoverable amount.

3.6 Revenue Recognition

Revenue is recognized when invoice is raised to the customers.

3.7 Book debts

Trade and other debts are stated at original invoice amount as reduced by appropriate provision for debts considered doubtful. Debts considered irrecoverable are written off and provision is made against those considered doubtful of recovery.

3.8 Creditors, accrued and other liabilities

Creditors, accrued and other liabilities are stated at cost which is the fair value of the consideration to be paid in future in respect of goods and services.

3.9 Advances, deposits, prepayments and other receivable

Advances and others receivable are stated at cost.

3.10 Provisions

Provision are recognized when the company 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.

3.11 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purpose of cash flow statement cash and cash equivalents comprise cash in hand, Cheque in transit, cash at banks and running finance under markup arrangements. In the balance sheet, running finances under markup arrangements are included in current liabilities.

CASH FLOW STATEMENT

AS AT JUNE 30, 2010

	2010 Rupees	2009 Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Surplus/(deficit) for the year	1,981,278	8,815,725
Adjustments		
Depreciation	255,888	14,649
	255,888	14,649
	2,237,166	8,830,374
Working capital changes		
(Increase)/decrease in current assets		
Other receivables	49,020	99,240
Indus Hospital (Gavi cso)	(655,615)	
Certificates of Islamic Investment	(500,000)	(10,000,000)
Increase/(decrease) in current liabilities	2,793,043	976,739
	1,686,448	(8,924,021)
	3,923,614	(93,647)
Net cash inflow/(outflow) from operating activities		
CASH FLOW FROM INVESTING ACTIVITIES		
Addition to fixed assets	(1,259,994)	(31,615)
Preliminary expenses	-	-
Net cash inflow/(outflow) from investing activities	(1,259,994)	(31,615)
CASH FLOW FROM FINANCING ACTIVITIES		
Net cash inflow/(outflow) from financing activities		
Net increase/(decrease) in cash and cash equivalent	2,663,620	(125,262)
Cash and cash equivalents at beginning of the year	2,493,268	2,618,530
Cash and cash equivalents at end of the year	5,156,888	2,493,268
Cash and cash equivalents		
Cash and bank balances	5,156,888	2,493,268

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

Sd/-
Chief Executive

Sd/-
Director

STATEMENT OF CHANGES IN EQUITY

AS AT JUNE 30, 2010

	Sponsors fund Rupees	Surplus/ (deficit) Rupees	Net fund balance Rupees
Balance as at June 30, 2008	160,100	2,501,805	2,661,905
Surplus for the year	-	8,815,725	8,815,725
Balance as at June 30, 2009	160,100	11,317,530	11,477,630
Surplus for the year	-	1,981,278	1,981,278
Balance as at June 30, 2010	160,100	13,298,808	13,458,908

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

Sd/-
Chief Executive

Sd/-
Director

NOTE OF THE ACCOUNTS

AS AT JUNE 30, 2010

	2010 Rupees	2009 Rupees
5 INVESTMENT HELD TO MATURITY		
Certificates of Islamic Investment	5.1 10,500,000	10,000,000
<p>5.1 These investments along with profit accruing thereon shall be reinvested on the same terms or in accordance with optional maturity appearing on the application for certificates on Islamic Investment to other instructions received by the bank at least ten (10) days prior to maturity. These investments will mature on November 18, 2010.</p>		
6 CASH AND BANK BALANCE		
United Bank Limited	3,262,899	2,424,213
Meezan Bank Limited	1,888,989	55,055
Cash in hand	5,000	14,000
	5,156,888	2,493,268
7 INCOME		
Donation	-	9,139,280
Profit on Investment	939,577	55,055
Special Donation	6,000,000	5,400,000
Zakat	1,946,500	2,026,600
Grant (Gavi cso)	5,378,049	-
	14,264,126	16,620,935
8 EXPENDITURE		
Salaries expense	895,910	726,988
Traveling expense	69,329	3,500
Vehicle running expense	132,615	90,666
Internet expenses	-	12,000
Printing expense	38,405	95,780
Advertisement expense	84,845	1,085,260
Legal and professional charges	34,500	23,000
Audit Fee	15,000	15,000
Survey & research expenses	-	11,560
Miscellaneous Expenses	14,012	1,000
Bank Charges	1,362	1,664
Entertainment	-	4,500
Communication (mobile) expenses	41,400	-
Depreciation expense	255,886	14,649
Gavi project expenses	5,378,050	-
Awareness programme expenses	262,500	-
Medicine and vaccination expense	5,059,034	5,719,644
	12,282,848	7,805,211
8.1 Gavi project expenses		
Staff cost	555,000	-
Overheads	96,359	-
Capital expenditure	80,705	-
Programme cost	4,645,985	-
	5,378,049	-
8.2 MEDICINE AND VACCINATION EXPENSE		
Gross expense	8,190,574	8,004,424
Less :recovery against vaccination	(3,131,540)	(2,284,780)
	5,059,034	5,719,644
9 DATE OF AUTHORIZATION		
These financial statements have been authorized by board of directors on <u>05 AUG 2010</u>		
10 LEVEL OF PRECISION		
Figures have been rounded off to the nearest rupee.		

Sd/-
Chief Executive

Sd/-
Director

4 PROPERTY PLANT AND EQUIPMENT

Class of assets	C O S T				Rate	D E P R E C I A T I O N			W.D.V as on June 30, 2010
	As at July 1, 2009	Additions	As at June 30, 2010			As at July 1, 2009	For the Year	As at June 30, 2010	
	Rupees	Rupees	Rupees	%	Rupees	Rupees	Rupees	Rupees	
<i>Tangible - Owned assets</i>									
Other equipment	31,615	69,994	101,609	10	3,162	9,845	13,007	88,602	
Computer equipment	54,700	-	54,700	30	27,897	8,041	35,938	18,762	
Vehicles	-	1,190,000	1,190,000	20	-	238,000	238,000	952,000	
2010	86,315	1,259,994	1,346,309		31,059	255,886	286,945	1,059,364	
2009	54,700	31,615	86,315		16,410	14,649	31,059	55,257	

APPEAL FOR DONATIONS!

Saving one person from Hepatitis inflicted disability and death is like saving the entire humanity

Your donation of Rupees 40,000/- can do it!

A lesser amount of Rupees 1,500/- can help vaccinate one person, And prevent the onset of Hepatitis

Please Act Now!

Striving for a Healthier Pakistan



The Health Foundation

Contact Details:

B-18, S.I.T.E., Karachi 75700, Pakistan.
Telephone No.: 00-92-21-111-111-645
Fax No.: 00-92-21-32563974
Email: Info@thehealthfoundation.org
Web: www.thehealthfoundation.org

Donation and Zakat Account Details:

Bank Account No.: 010-5893-2
Title of Account: The Health Foundation
Name of Bank: UBL, S.I.T.E. Branch, Karachi.
(all Donations are Tax Exempted)