

# THE HEALTH FOUNDATION

*Striving For A Healthier Pakistan*

- ▶ AWARENESS
- ▶ PREVENTION / PROTECTION
- ▶ TREATMENT



ANNUAL REPORT 2017

The Health Foundation is solely working against Hepatitis B & Hepatitis C in Pakistan....

## WHY ONLY Hepatitis B & Hepatitis C ??

### FACTS:

- Pakistan ranks the 2nd highest in the world for Hepatitis prevalence.
- Over 18 million Pakistanis suffer from Hepatitis.
- Every 12th person is either Hepatitis B or Hepatitis C positive in the country.
- Every 30 seconds, one person dies from Hepatitis in our region which is 3x higher than HIV/AIDS

### 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 & C SPREAD?

- Contaminated syringes and other unsterilized medical equipment
- Reuse of syringe, needles and other sharps
- Unscreened /Infected blood
- From an infected Hep B positive mother to her newborn

### Prevention from Hepatitis B and C can be ensured by:

- Vaccination against Hepatitis B is available in Pakistan. Ensure you are fully vaccinated
- Avoiding unnecessary injections, drips and blood transfusions
- Always using sealed syringes and needles pack
- Destroying the needle after use or ensuring that this is done in front of you
- Always obtaining screened blood for transfusion from reliable well know blood banks
- Using new razor blades/shaving sticks for shaving
- Avoiding tattooing
- Always using a new, unused needle for piercing your ears and nose



## Mr. Saeed Allawala Chairman/Founder

ALHAMDOLILLAH! THE HEALTH FOUNDATION has successfully completed a decade of its existence this year. A dream has come true. THF has seen many ups and downs during this period but it continued successfully to move forward. ALLAH (SWT) showered His Blessings on us to efficiently fight the war against the spread of the menace of Hepatitis in Pakistan.

THF was fortunate to form a very coherent team which worked relentlessly towards the great cause to eradicate / minimize spread of Hepatitis B & C in its sphere of influence.

THF is working day in and day out to propagate awareness on a large scale to masses about the menace of Hepatitis B & C and the ways and means to prevent and treat it.

The year 2016 / 2017 was an eventful year for THF. To summarize :

- ✿ The Awareness projects for Hepatitis were undertaken in 7 downtrodden areas of 7 cities
- ✿ Total number of nearly 90,000 persons were reached personally during massive 2015 sessions held in the 7 different cities in Awareness projects
- ✿ The Catch-up Hepatitis B vaccination was achieved (fully immunized) in 18,400 target population of 7 cities
- ✿ Sizeable number of Hepatitis B & C patients were provided free treatment in the poor localities of 7 cities

With meager and limited resources available at the disposal of THF, the above achievements are quite remarkable. THF has also successfully launched its 'ADOPT-A-PATIENT' campaign which involves donation of Rs. 35,000 per Hepatitis patient by the valued donors.

While entering the second decade of its existence, let me assure you that THF shall continue to be guided by the holy notion 'AFZALUL ASHGHAL ALKHIDMAT UN NAAS' i.e, The best practice is to serve people. May ALLAH (SWT) provide more resources, energy and will to THF so that it continues to support poor patients suffering from Hepatitis in the time to come. Ameen.

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## Overview

The Health Foundation (THF) was established in 2007 as a non-profit Civil Society organization registered with SECP under Section 42 of the Companies Ordinance 1984.

THF is also certified by PCP (Pakistan Center for Philanthropy). Socially responsible individuals from all walks of life have joined hands to contribute in bringing about some positive change in the lives of the poor and marginalized.

## Vision

A Hepatitis Free Pakistan



## Mission

The Health Foundation aims to create awareness and promote healthy practices for management of various diseases in the general public, with an initial focus on Hepatitis B & Hepatitis C





## Goals

Overall goal is attainment of Community health through elimination of Hepatitis B and C through set strategies being implemented in the Hepatitis Free Community model. THF is thus aimed to invest in social change and help alleviate the sufferings related to this preventable disease in destitute communities of Pakistan.

## Project Targets

- At least 85 % Hepatitis B immunization coverage in our target population in project focus areas
- Ensure free treatment of our “Adopted” patients in our intervention geographical areas (patients identified during our baseline prevalence survey)
- 90% population have awareness about Hepatitis B and C – causes and prevention in our focus areas



## Project Strategies

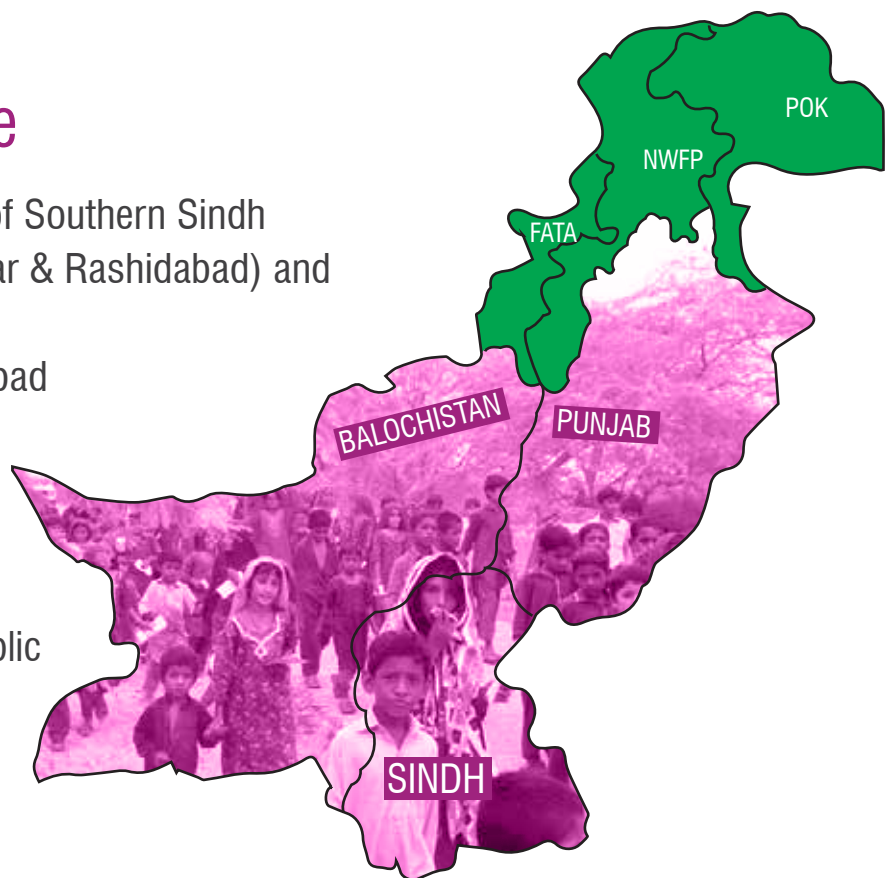
- Community empowerment and demand generation – Changing the outlook of the general population with awareness programs and letting them know that Health is their basic human right and should be taken as a priority
- Catch Up Hep B vaccination- Since there is a vaccine available for protection against Hepatitis B, THF is pursuing a catch-up immunization program in its focus areas
- Facilitating preventive health programs and promoting informed decision making about seeking health system support for management and interventions through School based programs and community led interventions

- Strengthening Partnerships- Collaborating with Public and Private Enterprises in Hepatitis B vaccination and immunization services delivery, Since vaccination against vaccine-preventable diseases is essential to reaching the SDG's. Large number of deaths from Hepatitis B can be prevented via vaccination at a very minimal cost
- Mobilization of requisite resources for Treatment and Rehabilitation of referred non affording patients as per THF SOPs
- Capacity building of team members and partners – Developing a comprehensive awareness strategy/ Projects to motivate adoption of requisite healthy and social practices. Facilitate /provide requisite technical support to our partners when and where needed

## Geographical Scope

- (i) Sindh - High risk pockets of Southern Sindh (district Sanghar, Tharparkar & Rashidabad) and Northern Sindh (Ghotki)
- (ii) Punjab- Lahore and Hafizabad
- (iii) Balochistan - Naseerabad

We work in close coordination with the Health Department, Education department, other public and private organizations



THF is proud to be a member of:

- |  |   |
|--|---|
| 1. World Hepatitis Alliance (W.H.A)  | 4. Global Alliance for Vaccines and Immunization (GAVI)                               |
| 2. The Coalition for the Eradication of Viral Hepatitis in Asia Pacific (CEVHAP) | 5. CSO Alliance for Immunization in Pakistan (PCCHI)                                  |
| 3. World Health Organization (W.H.O)   | 6. National Technical Advisory Group on Hepatitis Prevention and Control in Pakistan. |



## Board of Directors

Mr. Saeed Allawala (Chairman)  
Dr. Saad Khalid Niaz  
Dr. Sohail Nawab



## Executive Director

Dr. Laila Rizvi

## Programme Manager

Dr. Muhammad Kashif Riaz

## General Body

- Dr. Huma Qureshi
- Dr. Jamal Ara Asad
- Dr. Naseem Salahuddin
- Dr. Yahya Chawla
- Mr. Abdul Latif Shaikh
- Mr. Talib Karim
- Mr. Adnan Sarfraz
- Mr. Ahsan Saleem
- Mr. Masood Hashmi
- Mr. Rashid Abdulla
- Mr. Shahrukh Hasan
- Mr. Tariq Rafi
- Ms. Gul e Rana Saeed
- Ms. Qudsia Akber
- Ms. Raana Syed
- Mr. Abrar Hasan

## Lahore Chapter

Dr. Munir Ahmed (President)  
Dr. Sardar Fakhar Imam  
Dr. Akmal Bhatti  
Dr. Khaleeq Qureshi  
Dr. Shaila Anwer



## Field Coordinators

Mr. Ahad Jawaid.....Karachi  
Mr. Farhan Rasheed.....Sanghar  
Mr. Mohsin Ali Korai.....Ghotki  
Mr. Zahid Ali.....Tharparkar  
Mr. Shahnawaz Laghari.....Rashidabad  
Mr. Rizwan Ali.....Lahore





## Field based interventions The “Hepatitis Free Community” Model

### Hepatitis Free Community Model

Mass  
Community  
Awareness

Catch Up  
Hepatitis B  
Vaccination

Free  
Hepatitis  
B & C  
Treatment

### Mass Community Awareness

Behavior change is a key to obtaining a healthy life.

Awareness/ Community sensitization regarding requisite health and social behaviors is one of the major activities undertaken by THF.

Special IPC sessions are held within the community with the various target groups like Students, Teachers, Parents, Health care providers (formal and informal), other NGOs/ CBOS, Corporates and Community notables/elders as well as general population. Social mobilization seminars are also held for a larger audience. All sessions are ensured to be very interactive and questions and answers from the audience encouraged.

**Total population reached during current reporting year = 87,000 through 2015 targeted awareness sessions.**



## “Students as Change Agents” – Partnering with Educational institutes

THF is conducting awareness sessions for teachers/staff and students of various schools, colleges and universities.

The main focus of these sessions is to educate and raise awareness among the teachers, staff and students regarding Hepatitis B & Hepatitis C. The Objective is to facilitate these young minds to act as spokesperson/advocates for Hepatitis awareness amongst their families and friends



During this financial year THF has held seminars in the following institutes:

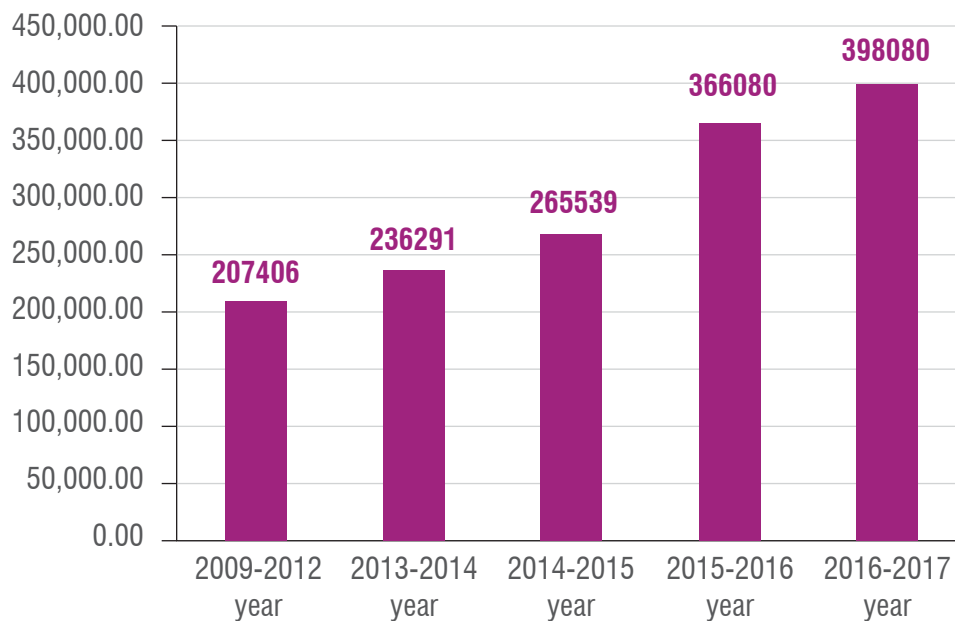
- |   |  |
|---|--|
| 1) Bay View Academy – Karachi   | 6) LUMS – Lahore                                     |
| 2) Development in Literacy (DIL) Schools – Karachi  | 7) Mobile School Bus – Karachi                       |
| 3) Habib University – Karachi   | 8) Suffa Madarsa Religious School Saidabad – Karachi |
| 4) Jinnah Sindh Medical University & APPNA Institute of Public Health (JSMU/AIPH) – Karachi | 9) The Citizen Foundation (TCF)                      |
| 5) Khatoon-E- Pakistan School adopted by Zindagi Trust – Karachi                            | 10) United Medical & Dental College Karachi          |

# Catch Up Vaccination

Immunization is regarded as a key strategy to ensure global health security and for responding to the threat of emerging infections such as Hepatitis. A large number of deaths from Hepatitis B can be prevented via vaccination at a very minimal cost.

Catch up vaccination of target children in Schools, Madrassas and community level is being implemented.

Community ownership helps in the sustainability of best practices.



Year wise achievement of Catch-up Hepatitis B Vaccination  
(All Projects) from 2009-2016

Till June 2017 THF has fully immunized nearly **400,000** children/individuals in their target areas.



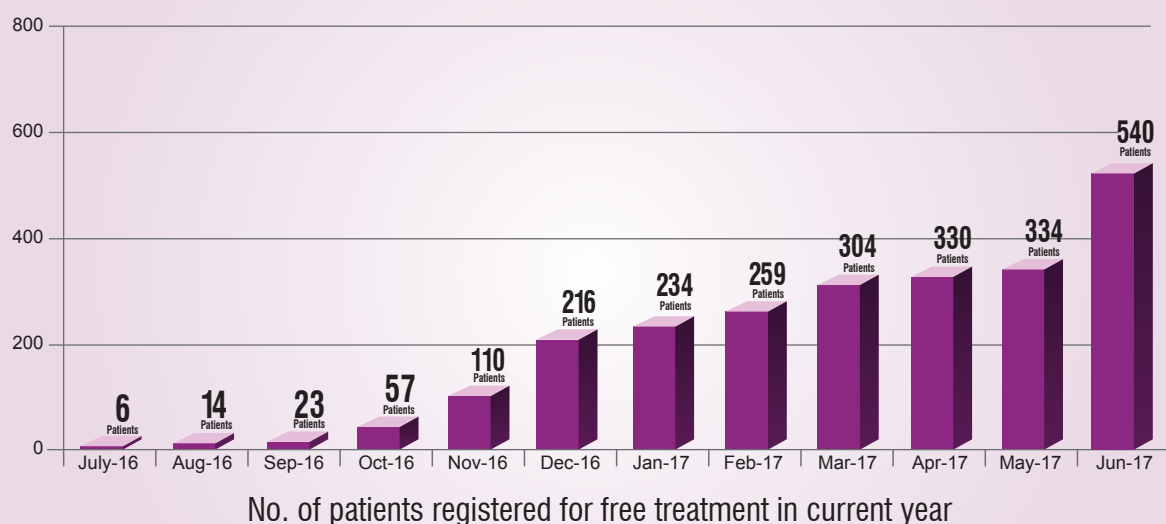


# Hepatitis B & C Treatment

THF is following the latest treatment protocols; where Sofosbuvir (Oral Drug) is being provided to non-affording, adopted patients free of cost.

Treatment is also being provided to patients being referred to THF through its vast referral network of gastroenterologists / Liver specialists.

Total Hepatitis B & Hepatitis C Patients to date (4026)		New Hepatitis B & Hepatitis C Patients Registered During Current Year	
Hepatitis C	Hepatitis B	Hepatitis C	Hepatitis B
3970	484	484	56



**“Adopt a patient”**- Country wide campaign initiated to adopt poor non affording patients across Pakistan. Cost of adoption comes to Rs. 35000/patient (free package includes all medication, requisite lab test and consultation by a specialist gastroenterologist).



## Events:

### 1) Celebration of World Hepatitis Day 28th July 2017

World Hepatitis Day (WHD) takes place every year on 28 July and brings the world together under a single theme to raise awareness on the global burden of viral hepatitis and to influence real change. WHD unites patient organizations, governments, medical professionals, civil society, industry and the general public to boost the global profile of viral hepatitis.

THF along with WHO and partners also celebrates WHD to increase the awareness and understanding of hepatitis in its intervention areas.

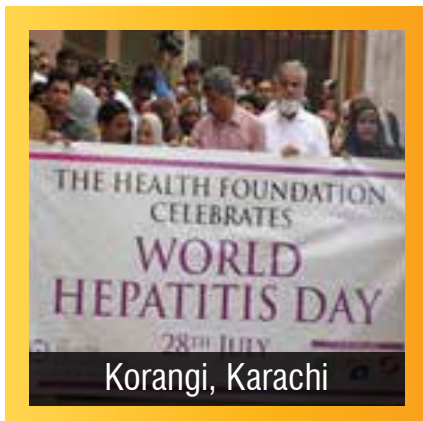
#### Awareness sessions



#### Screening camp at GEO TV



## ✧ Walks / Other activities with active participation of community and local notables



Korangi, Karachi



Kandiyari, Sanghar



Islamkot, Thar



Rashidabad, T. A Yar



Motorbike rally at Ghotki



SGR Hospital, Lahore

## ✧ From Pakistan, Only THF was highlighted in the No Hep Global report for WHD 2017

WHERE IN THE WORLD

### ELIMINATE HEPATITIS NOhep

#### World Hepatitis Day 2017: Global day for local impact

How WHA members marked World Hepatitis Day

**Pakistan**  
WHA member the Health Foundation marked World Hepatitis Day by organising an awareness raising walks and seminars across Pakistan. The activities also included a motorbike rally, which was joined by influential people from the community, members and other civil society organisations. With placards and loud speakers, the group raised awareness of the cause and emphasised that prevention is better than cure.

**China**  
WHA member Inno Community Development Organisation celebrated WHD by designing emojis to share through social media. "Heppy", the cartoon liver was created in a number of different situations to change negative and stigmatised impression of hepatitis among young people in China. A number of key opinion leaders in Chinese social media joined the campaign to co-launch Heppy on WHD.

Health Foundation

Health Foundation

Inno Community Development Organisation

Inno Community Development Organisation



## 2- Directors' dinner 2017

The Health Foundation is very grateful to its directors for being such gracious hosts!!



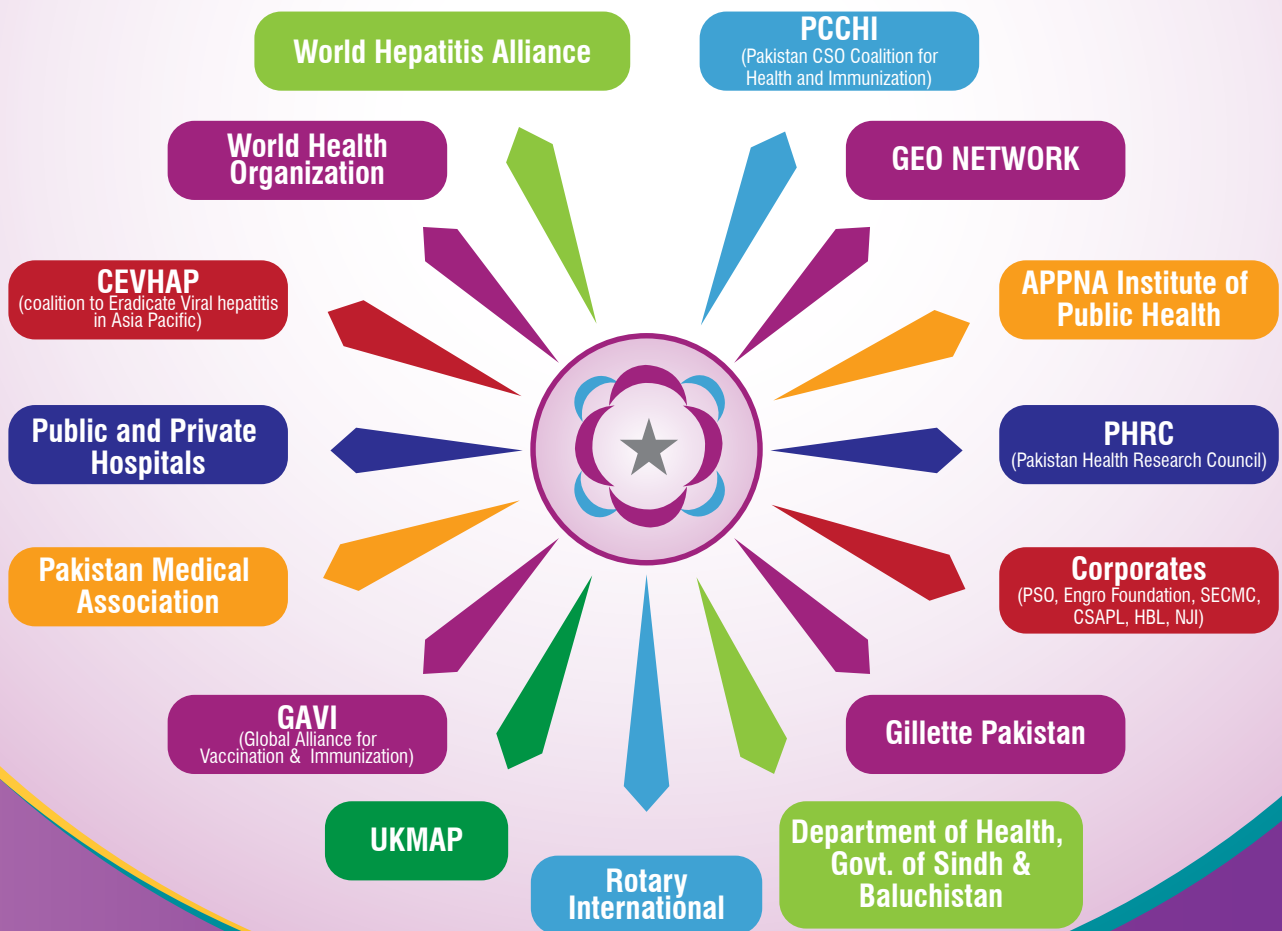
## 3- Partnering in Local events 12th Health Asia Expo 2017



THF participated in the 12th Health Asia Exhibition held in Karachi. A screening and awareness stall was setup at the Expo. About 349 individuals from all walks of life were screened for both Hepatitis B & Hepatitis C. Each positive individual was counseled about way forward and was referred to a liver specialist accordingly.

# Strategic Alliances / Partnerships

## Working together – Key to success !!



**ENDORSEMENTS**







# Financials

- Directors Report
- Auditors Report
- Balance Sheet
- Notes to the Accounts
- Income and Expenditure Account
- State of Comprehensive Income
- Cash Flow Statement
- Statement of Changes
- Notes to the Financial Statements

## **DIRECTORS' REPORT 2017**

Dear Members

The directors of our foundation are pleased to present their Annual Report together with the Company's audited financial statements for the year ended June 30, 2017.

We are grateful to the All Merciful, with whose benevolence we have collectively been able to progress and maintain our credibility. We would like to thank all THF Donors and Supporters who have helped us come this far. Supporters of THF across the country are spreading awareness about working against Hepatitis B/C via awareness, prevention, and collaboration and providing free treatment to non-affording individuals.

### **Financial Results**

Financial Results for the year are as follows:

<b>Financial Highlights (Rs. In Thousands)</b>	<b>2017</b>	<b>2016</b>
Government Grants	13,950	28,078
Specific Donations	11,624	11,057
Zakat	7,767	2,425
General Donations	6,813	12,924
Fund Raising Event	-	20,881
Total Assets	62,749	58,322
Current Ratio	1.03	1.25
Cash to Current Liabilities	0.75	1.02

### **Company's Performance**

Till June 2017 THF has vaccinated till 398,080 children/individuals (Till June 2016: 366,080) in their target areas and all such vaccinations are free of cost.

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Members of:

**World Hepatitis  
Alliance**

**CEVHAP**  
(Coalition for Eradication of  
Viral Hepatitis in Asia Pacific)

**Pakistan Centre for  
Philanthropy**

**Head Office:** Office #2, 10<sup>th</sup> Floor, Jason Trade Center,  
Shahra-e-Faisal, Karachi, 75400

Tel: (92-21) 34320017 / Fax: (92-21) 34320018

Website: [www.thehealthfoundation.org](http://www.thehealthfoundation.org) | Facebook: [www.facebook.com/THFPK](https://www.facebook.com/THFPK)

"A company set up under section 42 of the Companies Ordinance, 1984"

Total awareness sessions given by the foundation in all its projects from July 2016 to June 2017 are 2,105 (July 2015 to June 2016: 3,786) and the total participants in these sessions were 87,274 (July 2015 to June 2016: 107,873).

Total Hepatitis B & C patients registered with our foundation are 428 & 3,058 respectively (2015 – 2016: 366 & 2,636 respectively).

THF has also initiated a country wide campaign of “Adopt a Patient” to adopt poor non-affording patients across Pakistan. The cost of adoption comes around Rs. 35,000 per patient which includes all medication, requisite lab tests and consultation by a specialist Gastroenterologist.

A project in Rashidabad has also been initiated during 2016 - 2017 and a MOU has also been signed with IDSP & Health Department of Government of Balochistan to start a project in Naseerabad.

Moreover, THF is conducting awareness sessions for teachers/staff and students of various schools, colleges and universities. The main focus of these sessions is to educate and raise awareness among the teachers, staff and students regarding Hepatitis B & Hepatitis C.

### **Future Prospects**

THF will be expanding its activities to high risk and hard to reach areas of Pakistan.

### **Board of Directors**

The Board of Directors governs the organization by establishing broad policies and setting out strategic objectives with commitment and ambition to achieve goals of performance with broader perspective., which currently consists of three elected directors. One executive director is also appointed for implementation and supervision of all the policies and procedures in a smooth manner.

The Board is collectively responsible for the success of the Company. Its role is to provide entrepreneurial leadership to the Company within a framework of prudent and effective controls which enables risk to be assessed and managed. The Board sets the Company’s strategic aims, ensures that the necessary financial and human resources are in place for the Company to meet its objectives and reviews management performance. It

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#### **Members of:**

**World Hepatitis  
Alliance**

**CEVHAP**  
(Coalition for Eradication of  
Viral Hepatitis in Asia Pacific)

**Pakistan Centre for  
Philanthropy**

**Head Office:** Office #2, 10<sup>th</sup> Floor, Jason Trade Center,  
Shahra-e-Faisal, Karachi, 75400

Tel: (92-21) 34320017 / Fax: (92-21) 34320018

Website: [www.thehealthfoundation.org](http://www.thehealthfoundation.org) | Facebook: [www.facebook.com/THFPK](https://www.facebook.com/THFPK)

\*A company set up under section 42 of the Companies Ordinance, 1984\*

also sets the Company's values and standards and ensures that its obligations are understood and met.

**a. Election of Director**

The existing elected directors of the Company are retiring in October 2017. Election of Directors for fresh term of three years is to take place at the ensuing AGM 2017.

**b. Directors' Remuneration**

All the Directors of THF excluding the Executive Director are honorary and are given no remuneration for their services.

**Audit**

The auditors, A.F. Ferguson & Co. retire and offer themselves for re-appointment. The audit firm has been given satisfactory rating under the Quality Control Review Program of Institute of Chartered Accountants of Pakistan (ICAP) and the firm is fully compliant with the International Federation of Accountants' guideline on codes of ethics, as adopted by ICAP. The Board of Directors of the Foundation have endorsed their appointment for members' consideration at the forthcoming Annual General Meeting.


**Acknowledgement**

We would like to acknowledge the continued support of our employees, bankers & suppliers for their dedication and contribution to the Company.

On Behalf of Board of Directors



**Saeed Allawala**  
Chairman



**Dr. Saad Khalid Niaz**  
Director

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A.F. FERGUSON & CO.

The Board of Directors  
The Health Foundation  
Office No. 2, 10th Floor  
Jason Trade Centre  
Main Shakra-e-Faisal  
Karachi

04 October 2017

Our reference: ASR 0658

Dear Sirs

**FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2017**

We enclose five copies of the Company's above financial statements together with our draft report thereon to the members initialled by us for identification purposes. We shall be pleased to sign our report in the present or modified form after:

- a) these financial statements have been approved by the Board and signed by the Chief Executive and one director;
- b) we have received the representation letter signed by the Chief Executive Officer and one director on the lines of draft provided by us;
- c) we have seen certified true copy of the minutes of your meeting approving the following:

	Rupees
- additions to equipment	1,209,700
- donations received	
• specific donations	14,919,862
• general donations	6,813,075
• zakat	13,432,050

**2. REPRESENTATION LETTER**

The draft representation letter provided to the management contains certain written representations being sought from them.

We wish to place on record our appreciation for the co-operation and courtesy extended to us by the officials and staff of the Company during the course of the audit.

Yours truly

encl

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network  
State Life Building No. 1-C, I.I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan  
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007/32427938/32424740; <www.pwc.com/pk>

• KARACHI • LAHORE • ISLAMABAD



A.F.FERGUSON & Co.

#### AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of The Health Foundation as at 30 June 2017 and the related income and expenditure account, cash flow statement and statement of changes in net assets 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 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 accounts 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, cash flow statement and statement of changes in net assets 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 30 June 2017 and of the deficit, its cash flows and changes in net assets 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).

  
Chartered Accountants  
Karachi

Dated: 06 October 2017

Name of the Engagement Partner: Farrukh Rehman

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network  
State Life Building No. 1-C, I.I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan  
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007/32427938/32424740; <www.pwc.com/pk>

**THE HEALTH FOUNDATION**

**BALANCE SHEET AS AT JUNE 30, 2017**

	Note	2017 Rupees	2016 Rupees
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Equipment	3	1,766,461	1,377,292
Long-term deposits		<u>20,000</u>	<u>56,000</u>
		1,786,461	1,433,292
<b>CURRENT ASSETS</b>			
Stock-in-hand	4	<u>15,627,539</u>	<u>10,084,180</u>
Loans and advances	5	15,000	110,939
Deposits and prepayments		76,000	7,887
Accrued mark-up		693,534	174,339
Other receivable		110,859	34,338
Cash and bank balances	6	<u>44,439,504</u>	<u>46,476,792</u>
		60,962,436	56,888,475
<b>TOTAL ASSETS</b>		<b>62,748,897</b>	<b>58,321,767</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Grants related to assets		610,663	-
<b>CURRENT LIABILITIES</b>			
Deferred income	7	<u>57,858,014</u>	<u>44,567,708</u>
Accrued and other liabilities	8	<u>607,493</u>	<u>707,907</u>
<b>TOTAL LIABILITIES</b>		<b>59,076,170</b>	<b>45,275,615</b>
<b>NET ASSETS</b>		<b><u>3,672,727</u></b>	<b><u>13,046,152</u></b>
<b>NET ASSETS</b>			
Sponsors' fund		160,100	160,100
Unrestricted - General donation		<u>3,512,627</u>	<u>12,886,052</u>
		<b><u>3,672,727</u></b>	<b><u>13,046,152</u></b>

The annexed notes 1 to 16 form an integral part of these financial statements.

  
Chief Executive

  
Director



# THE HEALTH FOUNDATION

## INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
<b>INCOME</b>			
Government grants		13,950,341	28,077,570
Specific donations		11,623,671	11,057,274
Zakat		7,767,450	2,424,730
General donations		6,813,075	12,923,974
Fund raising event		-	20,880,530
Others		134,760	-
		<u>40,289,297</u>	<u>75,364,078</u>
<b>EXPENDITURE</b>			
Medicines and vaccinations utilised			
- Government grant		13,950,341	28,077,570
- Own purchases	9	5,404,140	769,686
Salaries and allowances		14,268,194	12,876,434
Treatment expense		5,661,538	2,861,646
Advertisement and promotion		4,933,514	3,084,734
Travelling and conveyance		915,977	1,083,644
Vehicle running expenses		1,818,780	1,162,540
Printing and stationary		267,534	741,604
Waste management expense		44,625	133,875
Fund raising event expense		-	8,946,480
Office rent		333,900	330,000
Maintenance charges		417,795	281,910
Utilities expense		338,717	323,810
Communication		298,754	225,389
Depreciation		820,531	340,593
Fixed assets written off		-	450,934
Legal and professional charges		26,040	37,595
Auditors' remuneration	10	50,000	46,500
Bank charges		68,640	87,220
Others		43,702	59,258
		<u>49,662,722</u>	<u>61,921,422</u>
(Deficit) / surplus for the year		<u>(9,373,425)</u>	<u>13,442,656</u>

There is no other comprehensive income item.

The annexed notes 1 to 16 form an integral part of these financial statements.

  
Chief Executive

  
Director

THE HEALTH FOUNDATION

CASH FLOW STATEMENT FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
(Deficit) / surplus for the year		(9,373,425)	13,442,656
<b>Adjustment for non-cash charges and other items:</b>			
Depreciation		820,531	340,593
Fixed assets written off		-	450,934
		820,531	791,527
(Deficit) / surplus before working capital changes		(8,552,894)	14,234,183
<b>Effect on cash flow due to working capital changes</b>			
<b>(Increase) / decrease in current assets</b>			
Stock-in-hand		(5,543,359)	11,414,290
Accrued mark-up		(519,195)	107,886
Loan and advances to employee		28,500	64,000
Placement in term deposit - net		(14,714,214)	(880,762)
Advance for expenses		67,439	(59,549)
Prepayments		(68,113)	(7,887)
Other receivable		(76,521)	(34,338)
		(20,825,463)	10,603,640
<b>Increase / (decrease) in current liabilities</b>			
Accrued and other liabilities		(100,414)	(431,948)
Deferred income		13,900,969	5,191,902
		13,800,555	4,759,954
Increase in long-term deposits		36,000	(16,000)
<b>Net cash (used in) / generated from operating activities</b>		(15,541,802)	29,581,777
<b>CASH FLOW FROM INVESTING ACTIVITY</b>			
Fixed capital expenditure		(1,209,700)	(348,670)
<b>Net (decrease) / increase in cash and cash equivalents</b>		(16,751,502)	29,233,107
<b>Cash and cash equivalents at beginning of the year</b>		30,239,013	1,005,906
<b>Cash and cash equivalents at end of the year</b>	11	13,487,511	30,239,013

The annexed notes 1 to 16 form an integral part of these financial statements.

  
Chief Executive

  
Director

THE HEALTH FOUNDATION

STATEMENT OF CHANGES IN NET ASSETS  
FOR THE YEAR ENDED JUNE 30, 2017

	Sponsors' fund	Unrestricted General Donation (Rupees)	Total
	←		→
Balance as at July 1, 2015	160,100	(556,604)	(396,504)
Surplus for the year ended June 30, 2016	-	13,442,656	13,442,656
Balance as at June 30, 2016	160,100	12,886,052	13,046,152
Deficit for the year ended June 30, 2017	-	(9,373,425)	(9,373,425)
Balance as at June 30, 2017	<u>160,100</u>	<u>3,512,627</u>	<u>3,672,727</u>

The annexed notes 1 to 16 form an integral part of these financial statements.

  
Chief Executive

  
Director



## THE HEALTH FOUNDATION

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2017

#### 1. THE COMPANY AND ITS OPERATIONS

The Health Foundation (the Company) was incorporated in Pakistan under section 42 of the repealed Companies Ordinance, 1984 (the Ordinance) on August 24, 2007 as a company limited by guarantee not having share capital, having its registered office at B-18, S.I.T.E. Mangopir Road, Karachi. The company is formed with the primary objective 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 Company's initial focus is on awareness, prevention, collaboration and treatment of Hepatitis. It receives medicines and vaccinations from Hepatitis Prevention and Control Program of the Government of Sindh, free of cost. The Company runs various programs / campaigns in order to create awareness about Hepatitis and also provides medicines and vaccinations (received from the Provincial Government) to the needy, free of cost. Further, the Company arranges free Hepatitis treatment for the needy patients.

In order to achieve this, the Company invites / solicits specific donations in order to run the aforementioned programs / campaigns. Moreover, the Company invites general donations and organises fund raising events. Currently, the company is running projects in Karachi, Sanghar, Thar, Ghotki, Rashidabad, Nasirabad and Lahore.

The Company signed a memorandum of understanding with Sir Ganga Ram Hospital, Lahore on November 18, 2014 and is operating its Lahore Chapter since then. The Company has also obtained certification from Pakistan Centre for Philanthropy on March 7, 2016.

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below:

##### 2.1 Basis of preparation

##### 2.1.1 Statement of compliance

This is the first set of financial statements prepared by the Company in accordance with the revised applicable approved accounting and financial reporting standards as applicable in Pakistan, as stated below.



These financial statements have been prepared by the Company in accordance with the approved accounting and financial reporting standards as applicable in Pakistan. As per the requirements of circular no. CLD/CCD/PR(11)/2017 dated July 20, 2017 issued by Securities and Exchange Commission of Pakistan (SECP) companies whose financial year closes on or before June 30, 2017 shall prepare their financial statements in accordance with provisions of the repealed Companies Ordinance, 1984. Accordingly, approved accounting and financial reporting standards comprise International Financial Reporting Standards for Small and Medium-Sized Entities (IFRS for SMEs) issued by the International Accounting Standards Board and the Accounting Standards for Not for Profit Organisations (NPOs) issued by the Institute of Chartered Accountants of Pakistan (ICAP) as are notified under the repealed Companies Ordinance, 1984, provisions of and directives issued under these thereunder. In case requirements differ, the provisions or directives of the repealed Companies Ordinance, 1984 shall prevail.

SECP through SRO no. 413(I)/2016 dated May 11, 2016 had notified applicability of Accounting Standards for NPOs and IFRS for SMEs applicable in Pakistan from July 1, 2016 for non-listed companies formed / licensed under section 42 and 43 of the repealed Companies Ordinance, 1984. Under the NPO standards, primary source for the preparation of financial statements is IFRS for SMEs and where there is a conflict with the primary source, the requirements of the primary source shall prevail. However, there is no change in measurement and recognition impacting the financial statements. Any changes in disclosures requirement have been incorporated in the financial statements. The principal disclosures changed comprise of presentation of balance sheet and classification of unrestricted and externally restricted funds.

#### **2.1.2 Critical accounting estimates and judgements**

The preparation of financial statements in conformity with the above requirements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Management believes that there are no such matters involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

There have been no critical estimates and judgements made by the Company's management in applying the accounting policies that would have significant effect on the amounts recognised in the financial statements.

#### **2.2 Overall valuation policy**

These financial statements have been prepared under the historical cost convention except as otherwise disclosed in the accounting policies below.

#### **2.3 Foreign currencies**

Transactions in foreign currencies are recorded in Pak Rupees at the rates of exchange approximating those prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into Pak Rupees using the exchange rates approximating those prevailing at the balance sheet date. Exchange differences are taken to income and expenditure account currently.



#### 2.4 Functional and presentation currency

The financial statements are presented in Pakistan Rupees, which is the Company's functional and presentation currency and figures are rounded off to the nearest Rupees.

#### 2.5 Equipment

Equipment is stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management. A contributed asset is recognised at nominal value in the financial statements when its fair value at the date of contribution can not be reasonably determined.

The Company adds to the carrying amount of an item of property, plant and equipment the cost of replacing parts of such an item when that cost is incurred if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to income and expenditure account during the period in which they are incurred.

Depreciation on acquisition is charged from the month of addition whereas no depreciation is charged in the month of disposal.

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the income and expenditure account.

#### 2.6 Stock-in-hand

Stock-in-hand includes goods donated by the Provincial Government for nil consideration and is initially recorded at retail price with a corresponding credit to deferred income. The carrying value of stock-in-hand is charged to the income and expenditure account when it is distributed, with the corresponding credit released from deferred income.

Provision made against expired stock is deducted from stock-in-hand with a corresponding deduction from deferred income (government grant).

Stock-in-hand also includes medicines purchased from Zakat. These are valued at lower of cost and current replacement cost, as the stock is held for treatment of patients at no charge. Cost is determined using first-in-first-out method.

#### 2.7 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand, balances with banks on current, savings and deposit accounts with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.



## 2.8 Trade and other payables

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method.

## 2.9 Donations, zakat and government grants

Donations not restricted in its use by the donor (general donations) are accounted for on receipt basis in the income and expenditure account. Donations restricted in its use by the donor (specific donations) and zakat are utilised for the specified purpose and classified as deferred income. Any income earned from investments made from such specific donations and zakat are also credited directly in deferred income.

Government grants are recorded on receipt basis at retail price where there is reasonable assurance that all attaching condition will be complied with.

When the grant relates to an expense item, it is recognised as income over the periods in which the entity recognises as expenses the related costs for which the grant is intended to compensate whereas unspent grants at the end of the year are disclosed separately in the balance sheet as deferred income.

Where the grant received is in the form of an asset, it is recorded as deferred revenue and charged to income in equal amounts over the expected useful life of the related asset through depreciation, amortisation and / or disposal.

## 2.10 Deferred income

Specific donations and zakat contributed by donors are initially recognised as deferred income on receipt. Subsequently, these are recognised in the income and expenditure account to match the costs and expenses incurred in respect of the same.

Government grants consists of medicines and vaccinations donated by the Provincial Government for nil consideration and is initially recorded at retail price with a corresponding debit to stock-in-hand. The carrying value of deferred income is recorded as income when such stock is distributed, with the corresponding debit released from stock-in-hand and recorded as expenditure in the income and expenditure account.

## 2.11 Provisions

Provisions are recognised 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. However, provisions are reviewed at each balance sheet date and adjusted to reflect current best estimate.

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## 2.12 Taxation

The Company is registered with the income tax authorities as a not for profit organisation under section 2(36)(c) of the Income Tax Ordinance, 2001 read with Rule 212 of the Income Tax Rules, 2002. The Company does not account for taxation, as not for profit organisations are allowed a tax credit equal to one hundred percent (100%) of the tax payable including minimum tax and final tax payable, under Section 100C of the Income Tax Ordinance, 2001.

## 2.13 Revenue recognition

General donations received are recorded as income in the year of receipt.

Specific donations and zakat are initially recognised as deferred income on the balance sheet and, subsequently as income, in the income and expenditure account, by matching the costs and expenses incurred in respect of the same.

Government grants are recognised in income and expenditure account on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate.

Others include income generated from provision of treatment against consideration at cost.

Income on investments and return on deposits are recognised on time proportionate basis by reference to the principal outstanding and the applicable rate of return.

## 3. EQUIPMENT

	Office equipment	Furniture & fixtures	Computer equipment	Vehicles	Container	Total
	← Rupees →					
<b>Net carrying value basis</b>						
<b>Year ended June 30, 2017</b>						
Opening net book value (NBV)	463,463	91,360	149,943	252,942	419,584	1,377,292
Additions	-	97,200	62,500	1,050,000 *	-	1,209,700
Depreciation charge for the year	(267,111)	(42,891)	(110,627)	(357,943)	(41,959)	(820,531)
<b>Closing net book value (NBV)</b>	<b>196,352</b>	<b>145,669</b>	<b>101,816</b>	<b>944,999</b>	<b>377,625</b>	<b>1,766,461</b>
<b>Gross carrying value basis</b>						
<b>At June 30, 2017</b>						
Cost	587,503	207,850	383,946	1,748,700	900,000	3,807,799
Accumulated depreciation	(391,151)	(61,981)	(262,130)	(803,701)	(522,375)	(2,041,338)
<b>Net book value (NBV)</b>	<b>196,352</b>	<b>145,669</b>	<b>101,816</b>	<b>944,999</b>	<b>377,625</b>	<b>1,766,461</b>
<b>Net carrying value basis</b>						
<b>Year ended June 30, 2016</b>						
Opening net book value (NBV)	435,227	191,228	142,517	584,971	466,206	1,820,149
Additions	241,500	50,050	57,120	-	-	348,670
Reclassification (at NBV)	(70,505)	-	70,505	-	-	-
Write off (at NBV)	(75,369)	(126,292)	(34,238)	(215,035)	-	(450,934)
Depreciation charge for the year	(67,390)	(23,626)	(85,961)	(116,994)	(46,622)	(340,593)
<b>Closing net book value (NBV)</b>	<b>463,463</b>	<b>91,360</b>	<b>149,943</b>	<b>252,942</b>	<b>419,584</b>	<b>1,377,292</b>
<b>Gross carrying value basis</b>						
<b>At June 30, 2016</b>						
Cost	587,503	110,450	301,446	698,700	900,000	2,598,099
Accumulated depreciation	(124,040)	(19,090)	(151,503)	(445,758)	(480,416)	(1,220,807)
<b>Net book value (NBV)</b>	<b>463,463</b>	<b>91,360</b>	<b>149,943</b>	<b>252,942</b>	<b>419,584</b>	<b>1,377,292</b>
<b>Rate of depreciation</b>	<b>20%</b>	<b>20%</b>	<b>30%</b>	<b>20%</b>	<b>10%</b>	

\* The asset is contributed by an associated company during the year against which Rs. 371,485 has been paid by the Company.

	2017 Rupees	2016 Rupees
<b>4. STOCK-IN-HAND</b>		
Vaccines	12,723,839	10,084,180
Medicines	2,903,700	-
	<u>15,627,539</u>	<u>10,084,180</u>
<b>5. LOANS AND ADVANCES - considered good</b>		
Short term loans to employees - considered good	15,000	43,500
Advances to employees	-	67,439
	<u>15,000</u>	<u>110,939</u>
<b>6. CASH AND BANK BALANCES</b>		
Cash in hand	52,001	54,414
Balance with banks on:		
- Current accounts	3,640,037	19,409,286
- Savings account - notes 6.1 & 6.3	9,795,473	10,775,313
- Deposit account - notes 6.2 & 6.3	30,951,993	16,237,779
	<u>44,439,504</u>	<u>46,476,792</u>
<b>6.1</b>	At June 30, 2017, the mark-up rate on savings account was 2.58% per annum (2016: 2.4% per annum).	
<b>6.2</b>	This represents investment in Term Deposit Receipts held with Meezan Bank Limited. The expected rates of profits on these investments range from 4.78% to 5.2% per annum and will mature on various dates latest by October 05, 2017.	
<b>6.3</b>	Savings account and deposit account are maintained with Meezan Bank Limited for zakat purposes.	
	2017 Rupees	2016 Rupees
<b>7. DEFERRED INCOME - externally restricted</b>		
Government grants	12,723,839	10,084,180
Specific donation	11,391,525	7,246,097
Zakat including profit thereon - note 7.1	34,353,313	27,237,431
	<u>58,468,677</u>	<u>44,567,708</u>
<b>7.1</b>	This includes profit earned on savings account and deposit account maintained with Meezan Bank Limited for zakat purposes.	



	2017 Rupees	2016 Rupees
<b>7.2 Movement in deferred income</b>		
Balance at the beginning of the year	44,567,708	39,375,806
Funding received during the year - note 7.3	47,242,431	46,751,476
Funding utilised during the year	(33,341,462)	(41,559,574)
Balance at the end of the year	<u>58,468,677</u>	<u>44,567,708</u>
Comprise of:		
- Government grant	16,590,000	18,448,280
- Others - note 7.3	41,878,677	26,119,428
	<u>58,468,677</u>	<u>44,567,708</u>
<b>7.3</b>	The names of donors have not been disclosed as per the understanding of the management with the donors.	
<b>8. ACCRUED AND OTHER LIABILITIES</b>		
Accrued liabilities	30,271	58,719
Salaries payable	-	127,633
Tax deducted at source and payable to statutory authorities	155,191	149,106
Liability against treatment expenses	214,500	238,590
Others	207,531	133,859
	<u>607,493</u>	<u>707,907</u>
<b>9. MEDICINE AND VACCINATION UTILISED - OWN PURCHASES</b>		
These medicines are purchased by the Company from zakat to meet its requirements.		
	2017 Rupees	2016 Rupees
<b>10. AUDITORS' REMUNERATION</b>		
Audit fee	25,000	25,000
Out of pocket expenses	25,000	21,500
	<u>50,000</u>	<u>46,500</u>
<b>11. CASH AND CASH EQUIVALENTS</b>		
Cash in hand	52,001	54,414
Balance with banks on:		
- Current accounts	3,640,037	19,409,286
- Savings account	9,795,473	10,775,313
	<u>13,487,511</u>	<u>30,239,013</u>

	2017 Rupees	2016 Rupees
<b>12. FINANCIAL INSTRUMENTS</b>		
Financial assets measured at amortised cost	<u>45,278,897</u>	<u>46,852,408</u>
Financial liabilities measured at amortised cost	<u>607,493</u>	<u>707,907</u>

**13. TRANSACTIONS WITH RELATED PARTIES**

The related parties comprise of entities under common control / directorship and key management personnel. Significant transactions with related parties are as follows:

Name and particulars	Nature of	2017 Rupees	2016 Rupees
Key management personnel	Salaries and allowances	4,205,170	3,979,920
	Donation received	1,693,850	850,000
Associated Company	Donation received	1,178,515	4,000,000
	Payment for purchase of motor vehicle	371,485	-

**14. REMUNERATION OF EXECUTIVES**

The aggregate amounts charged in the financial statements for remuneration, including all benefits, to the executives of the Company are as follows:

	2017 Rupees	2016 Rupees
Managerial remuneration	8,153,850	5,442,674
Utility allowance	363,532	386,690
Others	359,800	97,250
	<u>8,877,182</u>	<u>5,926,614</u>
Number of persons	<u>8</u>	<u>4</u>

**14.1** Chief Executive and directors of the Company are not paid any remuneration.

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**15. NUMBER OF EMPLOYEES**

The average and total number of employees as at June 30, 2017 and 2016 respectively are as follows:

	2017	2016
Average number of employees during the year	<u>40</u>	<u>45</u>
Number of employees as at June 30	<u>38</u>	<u>42</u>

**16. DATE OF AUTHORISATION**

The financial statements were authorised for issue on ~~OCTOBER 06, 2017~~ by the Board of Directors of the Company.

*Me*

  
Chief Executive

  
Director



# ہمارا عزم سپانٹینس سے پاک پاکستان

## For Donations (All donations are Tax Exempted)

### UBL (General Donation)

Bank Account No.: 007101058932  
Title of Account: The Health Foundation  
Name of Bank: UBL S.I.T.E. Branch Karachi.  
Branch Code: 0071  
Swift Code: UNILPKKA  
IBAN: PK 78 UNIL 0112 0071 0105 8932



### (Zakat Only)

Bank Account No.: 0100177391  
Title of Account: The Health Foundation  
Name of Bank: Meezan Bank S.I.T.E. Branch Karachi.  
Branch Code: 0108  
Swift Code: MEZNPCKA  
IBAN No.: PK06 MEZN 0001 0801 0017 7391

### alBaraka (For Donation in Punjab)

Bank Account No.: 0102228849018  
Title of Account: The Health Foundation  
Name of Bank: ALBARAKA BANK (PAKISTAN) LIMITED

Branch Code: 0312  
Swift Code: AIINPKKA  
IBAN: PK43-AIIN-0000-1022-2884-9018

### Head Office:

Office No.2, 10th Floor,  
Jason Trade Center,  
Main Shahra-e-Faisal, Karachi.  
Tel: 92(21) 34320017-18  
Lahore Office: 0335-4997514



THE  
HEALTH  
FOUNDATION

Striving For A Healthier Pakistan

Email: [commuication@thehealthfoundation.org](mailto:commuication@thehealthfoundation.org)

Web : [www.thehealthfoundation.org](http://www.thehealthfoundation.org)  
[www.facebook.com/THFPK](http://www.facebook.com/THFPK)

"A company set up under section 42 of the Companies Ordinance, 1984"