



كاروان حيات  
Karwan-e-Hayat  
Institute for Mental Health Care

# ANNUAL REPORT 2023





“The mind is its own  
place and in itself can  
make a heaven of hell  
and a hell of heaven.”

John Milton



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Institute for Mental Health Care

Karwan-e-Hayat is a non-profit organization, registered under section 42 of the Companies Act 2017 and has a tax-deductible status under section 2(36) of the Income Tax Ordinance 2001.

# CHAIRMAN'S MESSAGE



It is my privilege to share with you the Annual Report of Karwan-e-Hayat for the fiscal year 2022-2023 and highlight the remarkable progress we have made in our mission to provide essential mental health services to the needy despite facing higher costs, inflationary headwinds and declining donations.

Building-up on our 40+ years' track record, this year has witnessed handling more than 175,000 patient visits at all our facilities and outreach camps – highest to-date. This rise in the use of mental health services reflects both reduced stigma associated with mental disorders and easier access to treatment at our facilities, outreach clinics, camps as well as increased use of tele-psychiatry services.

In the fiscal year 2022-23, the increase in patients' visits was 77% whilst our spending increased by 11%. We cover our costs through fund-raising, donations, Zakat, private patients and a nominal recovery from prescription medicines.

Key Highlights from the Annual Report:

1. **Expansion of Outreach Programmes and Increased Treatment Accessibility:** Over the past year, we extended our reach to even more deserving and far flung areas in and around Karachi, working in collaboration with local partners, healthcare professionals and community leaders. Our community teams now manage at least 45 medical camps on a monthly basis from 19 different locations across Karachi.
2. **Capacity Building:** Our commitment to sustainable operations has led us to strengthen capacity building. By training local healthcare providers and community members in mental health awareness, we are fostering a network of support that extends beyond our Institute.
3. **Research and Advocacy:** Our institute remains dedicated to advancing research projects that prioritize mental health for networking and benchmarking purposes.

Moving forward, our commitment remains steadfast. We understand that the journey to comprehensive mental health care for all is an ongoing effort, and we are eager to face the challenges ahead in a sustainable manner. I invite all of you to review the detailed Annual Report, which provides a comprehensive overview of our initiatives, achievements and financial stewardship. Your continued support, whether through donations, volunteering, or spreading awareness, is essential to our success.

In closing, I want to express my gratitude to everyone who has supported KeH. None of our achievements would have been possible without the assistance of our generous donors, key stakeholders and the dedicated Board and Management team at Karwan e Hayat.

Together, we are making a tangible difference in the lives of those who need it the most. Let us continue this journey with renewed determination and compassion.

Mohammad Salim  
Chairman

# CEO'S MESSAGE



Despite the challenges posed by the ever-evolving healthcare landscape, Karwan-e-Hayat's commitment to providing accessible and comprehensive mental health services to Karachi's community, especially the poor and underserved, has remained unwavering. We are grateful for the steadfast support of our stakeholders and the dedication of our competent team.

Expanding and enhancing our services has been a priority, ensuring inclusivity and affordability for those who seek our help in treating psychiatric ailments. Our skilled team of professionals has developed innovative treatment programs, embraced cutting-edge technologies, and implemented evidence-based practices, making us a premier institution in mental health care. Moreover, we have expanded our infrastructure to include a new OPD facility at the hospital to accommodate more patient visits. This year, we surpassed all expectations and facilitated more than 175,000 patient visits!

A patient-centric approach lies at the core of our endeavors. Our holistic services, combining psychological, psychiatric, and rehabilitative interventions, have empowered countless individuals and their families to overcome mental health challenges with resilience and successfully reintegrate into society as functional individuals.

Our commitment extends beyond our two facilities in Karachi. Engaging with the community through awareness campaigns, educational programs, and collaborations, we have worked tirelessly to reduce the stigma surrounding mental health. Throughout the year, our community teams manage at least 45 medical camps on a monthly basis from 19 different locations across Karachi. This is a reflection of our dedication to fostering a society that prioritizes mental well-being.

We express heartfelt gratitude to our esteemed stakeholders, whose unwavering belief in our vision has driven us forward. We also appreciate our dedicated employees, whose passion and commitment have been instrumental in our success.

Together, we embrace the future and its challenges with confidence. Our collective determination will continue to champion mental health and nurture a society built on compassion, understanding, and mental well-being.

A handwritten signature in black ink, which appears to read 'Zaheer Uddin Ahmad'. The signature is fluid and cursive.

Zaheer Uddin Ahmad  
Chief Executive Officer

Mental health is an integral  
part of overall health.  
There is no health without  
mental health.

# ABOUT KARWAN-E-HAYAT

Karwan-e-Hayat (KeH) is a non-profit organization established in 1983 in Karachi, by a group of noteworthy individuals. Among them were Begum Rana Liaquat Ali Khan, Dr. Zafar Qureshi, Dr. Abdul Hussaini, Begum Shaista Ikramullah and the Archbishop of Karachi, Cardinal Joseph Cordeiro. It was their foresight which enabled Karwan-e-Hayat to provide free psychiatric treatment to neglected and underprivileged people suffering from mental disorders in Karachi. Karwan-e-Hayat is a non-profit organization, registered under section 42 of the Companies Act 2017. It has a tax-deductible status under section 2(36) of the Income Tax Ordinance 2001. It is an ISO-certified company and is fully Shariah-compliant. It is also recognized by the Pakistan Centre for Philanthropy (PCP).

Karwan-e-Hayat provides Outpatient, Inpatient, Rehabilitation and Community Outreach Services through its two facilities in Keamari and Korangi and through 19 Community Outreach camps within the city of Karachi. A team of more than 170 employees work diligently to carry out Karwan-e-Hayat's mission of providing relief to those suffering from mental ailments.

The operations of the institution are as follows:

- Psychiatric Care & Rehabilitation Centre (PCRC), Keamari, is the flagship facility of Karwan-e-Hayat, which caters to all mental health issues under one roof. It has a 110-bed in-patient facility, a purpose-built OPD block, and offers comprehensive rehabilitation services.
- Korangi Community Psychiatric Centre (KCPC) provides community-based psychiatric care through OPD facilitation.
- Community Outreach Camps – Over 45 monthly camps, at 19 different locations across Karachi, offer OPD services, awareness sessions, individual home visits and family psycho-social education. Patients are also provided free consultation and medicines at these camps.

At present, almost 96% of overall patients are treated FREE OF COST and provided with medications at highly subsidized rates at these facilities and in the community outreach camps.



# OUR VISION

Our vision is to achieve the highest standards in providing psychiatric and rehabilitation services to the mentally disturbed members of society, especially the poor and marginalized, and to offer them opportunities to improve their quality of life.

- We aim to train and develop mental health professionals and to participate in research that will contribute to greater knowledge and understanding of mental health issues.
- We are committed to mainstream the guiding principles of mental health into health policies at different levels.
- We envision a society that understands and values good mental health practices, protects and treats people suffering from mental disorders with dignity, fairness and respect.



# OUR MISSION

- To work for the prevention, relief and treatment of mental illness.
- To work towards the rehabilitation of mentally distressed people, especially the under privileged and deprived.
- To raise public awareness about mental illness and to foster behavioural change in society.
- To organize, train and maintain a team of dedicated Psychiatrists, Psychologists, Occupational Therapists and Social Workers to ensure a competent and ongoing mental health service.





# OUR VALUES

At Karwan-e-Hayat, the values that we subscribe to and strive to inculcate in our medical staff and all caregivers are:

- Compassion** : We shall treat our patients with compassion, understanding and respect.
- Integrity** : We shall always provide quality patient care.
- Hope** : We shall spread the message of positivity that mental illness is treatable and manageable with professional help.
- Commitment** : We shall direct all our efforts towards the alleviation of suffering caused by mental illness.
- Education** : We shall become a learning organization growing through knowledge exchange, research and continuing education.
- Determination** : We shall always challenge discrimination and stigma against the mentally ill.
- Collaboration** : We shall develop strategic partnerships within our community as well as with national and international organizations in the field of psychiatry.
- Excellence** : We shall apply the best clinical and rehabilitative practices to treat our patient.



The Team of Karwan-e-Hayat

# ADVISORY BOARD



- ▶ **Prof. Dr. Murad Moosa Khan**  
Professor and Head of Department of Psychiatry (Rtd.), The Aga Khan University Hospital (AKUH)
- ▶ **Justice (Rtd.) Mr. M. Shaiq Usmani**  
Retired Judge, Sindh High Court
- ▶ **Kamran Y. Mirza**  
Former Managing Director of Abbott Pakistan and presently on the Board of Directors of Gul Ahmed, Former Chairman, Karwan-e-Hayat
- ▶ **Saleemuddin Ahmed**  
Former President and Chairman, Karwan-e-Hayat
- ▶ **Rehana Alam**  
Former Director, Karwan-e-Hayat
- ▶ **Akbar Usmani**  
Senior Advisor, UNDP (Rtd.)

## SHARIAH ADVISOR

Al-Hamd Shariyah Advisory Services. Mufti Ebrahim Essa & Mufti Haris Hanif

## TAX ADVISOR

Munif Ziauddin and Co Chartered Accountants

## LEGAL ADVISOR

Usmani and Iqbal Advocates & Solicitors

## EXTERNAL AUDITORS

BDO Ebrahim and Co Chartered Accountants

## INTERNAL AUDITORS

Grant Thornton Anjum Rahman Chartered Accountants

# BOARD OF DIRECTORS



**CHAIRMAN**  
**Mohammad Salim**

Over 40 years of related experience, has been a catalyst in developing and directing projects, administrating contracts and contributing to business growth. He has held key positions in roles related to Business Development, Operations and P&L leadership.



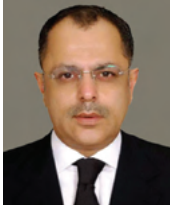
**VICE CHAIRMAN**  
**Ali Ahmed Khan**

Vice Chairman, Managing Director, Frieslandcampina Engro Pakistan Ltd and has over 25 years of experience in top management positions.



**BOARD MEMBER**  
**Talaat Naem Tyabji**

Served as Director, Marketing and Public Affairs at The Aga Khan University Hospital for 29 years



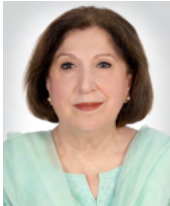
**BOARD MEMBER**  
**Faisal Mahmood Ghani**

Advocate Supreme Court of Pakistan, Represents and advises a panel of clients including financial institutions, multinationals, industrial and commercial establishments and public-sector concerns on the full spectrum of employment, labour, and industrial relation matters.



**BOARD MEMBER**  
**Amar Hassan**

A veteran of over 20 years of management experience in the pharmaceutical, healthcare and human resource consulting sectors in Pakistan



**BOARD MEMBER**  
**Qaisra Ahmed**

A social worker who has volunteered at the SOS Children's Village in Lahore and at The Citizens Foundation in Islamabad.



**BOARD MEMBER**  
**Yacoub Suttar**

Has held several positions in top management including CEO and MD of Asia Petroleum Limited and President of ICAP.



**BOARD MEMBER**  
**Shameem Zuberi**

Formerly worked as Senior Manager at Liaquat National Hospital for many years. Currently she also teaches as part-time faculty at Greenwich University.



**BOARD MEMBER**  
**Ayesha Irshad Mian**

An experienced PMDC certified Psychiatrist, currently Founder & CEO at Synapse.

# CORPORATE GOVERNANCE



## AUDIT COMMITTEE

- ▶ Mr. Yacoob Suttar (Chairman)
- ▶ Ms. Talaat Naeem Tyabji (Member)
- ▶ Mrs. Shameem Zuberi (Member)
- ▶ Mr. Muhammad Ali Asghar (Secretary)

## HUMAN RESOURCE COMMITTEE

- ▶ Mr. Aamar Hassan (Convenor)
- ▶ Mr. Ali Ahmed Khan (Member)
- ▶ Mr. Yacoob Suttar (Member)
- ▶ Mr. Zaheer Uddin Ahmad (Member)
- ▶ Ms. Misbha Bashir (Secretary)

## MEDICAL AND ETHICS COMMITTEE

- ▶ Dr. Ayesha Irshad Mian (Convenor)
- ▶ Ms. Talaat Naeem Tyabji (Member)
- ▶ Mrs. Shameem Zuberi (Member)
- ▶ Mrs. Qaisra Ahmed (Member)
- ▶ Mr. Zaheer Uddin Ahmad (Member)
- ▶ Dr. Uroosa Talib (Secretary)

## FUND RAISING AND AWARENESS COMMITTEE

- ▶ Mr. Faisal Mahmood Ghani (Convenor)
- ▶ Mr. Ali Ahmed Khani (Member)
- ▶ Mrs. Qaisra Ahmed (Member)
- ▶ Ms. Talaat Naeem Tyabji (Member)
- ▶ Mrs. Shameem Zuberi (Member)
- ▶ Mr. Yacoob Suttar (Member)
- ▶ Mr. Aamar Hassan (Member)
- ▶ Mr. Zaheer Uddin Ahmad (Member)
- ▶ Mr. Faisal Zahid (Secretary)

# CORPORATE TEAM



- ▶ **Zaheer Uddin Ahmad** Chief Executive Officer
- ▶ **M. Ali Asghar** Chief Financial Officer & Company Secretary
- ▶ **Dr. Uroosa Talib** Chief Medical Officer and Consultant Psychiatrist
- ▶ **Faisal Zahid** General Manager, Resource Development, Communication and Grants
- ▶ **Dr. Muhammad Ashfaque** In-Charge, Community Outreach Service
- ▶ **Yasirah Gohar** In-Charge, Rehabilitation
- ▶ **Shabana Irfan** In-Charge, Patient Welfare Officer
- ▶ **Misbha Bashir** Manager, Human Resources
- ▶ **Saba Naz** Manager, Administration
- ▶ **Jawaid Shah** Manager, Grants
- ▶ **Christopher Vaz** Manager, Resource Development and Communication
- ▶ **Shahzaib Khan** Assistant Manager, Finance
- ▶ **Salman Khan** Assistant Manager, Purchase
- ▶ **Nasir Mehmood** Research Associate

# PSYCHIATRIC REHABILITATION SERVICES

Psychiatric Rehabilitation is a day treatment program offering individual psychotherapy sessions, group therapies, family therapies, counseling, and case management. Operating six days a week, the program's goal is to achieve functional recovery of the patients and to reintegrate them into the mainstream of life. Led by qualified clinical psychologists and occupational therapists, it is an evidence-based program initiated by Rutgers University (USA) in Karwan-e-Hayat.



Employing a three-step recovery approach, it focuses on symptom management and reduction and reacquainting skills of daily living. Additionally, vocational skills are also offered. Some patients participate in community services to assess their abilities after initial training at the hospital.

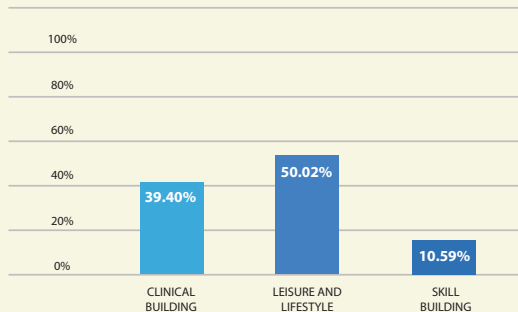
## Day Care/Rehabilitation

The Rehabilitation program (also referred to as the Day Care program) has various therapeutic groups to facilitate patients' recovery.

- **Clinical Group Therapies:** Patients participate as equal stakeholders in their recovery process, focusing on self-management and illness management strategies.
- **Leisure and Lifestyle Groups:** Occupational therapy-based activities improve hand-eye coordination and engagement in meaningful work, fostering independence and social integration.
- **Skill-Building Groups:** Help patients regain social skills, improve communication, regulate emotions, and manage unhealthy behavior.
- **Out-Patient Clinics / Psychological Services:** These services include tele-counseling, family psychoeducation, psychological assessments, and individual/group interventions.

## PSYCHIATRIC REHABILITATION ANNUAL STATISTICS 2022-2023

Day Care and Ward Rehabilitation Activities 2022-2023



# KEY FEATURES OF PSYCHIATRIC REHABILITATION PROGRAM

The program is evidence-based, with the following key features:

## Illness Management and Recovery:

Leads to reduction in relapses, better symptom management, and consistent use of medication.

## Case Management:

Ensures coordinated treatment, rehabilitation, and support services for severely ill patients. This prevents re-hospitalization and improves patient functioning.

## Family Psycho-Education:

Provides information and training to supportive caregivers of individuals suffering from mental illness.

## Volunteer Program:

Karwan-e-Hayat's "Volunteers Program" initiative is supported by dedicated and highly motivated volunteers, mainly students from diverse educational backgrounds. These volunteers commit to a number of dedicated hours and have served in various clinical and administrative departments at the hospital. Over 100 volunteers have participated in the program, and Karwan-e-Hayat has collaborated with institutions like Centre for Advanced Studies (CAS), Nixor College, Commeccs College, and Bahria College.

## Clinical Rotation / Student Internship Program:

Karwan-e-Hayat is not only a leader in treating and rehabilitating psychiatric illnesses but it also contributes actively to promoting psychiatric education. The Clinical Rotation/Student Internship Program allows students from various academic disciplines to gain knowledge and experience in dealing with psychiatric ailments. Final-year students specializing in Psychology or related mental health fields can complete their internships or clinical rotation responsibilities here. So far, Karwan-e-Hayat has facilitated over 70 students from institutions like Aga Khan University Hospital, Bahria University, Ziauddin University, and others. This initiative benefits the community by providing valuable experience to future psychiatrists and healthcare workers, aiding in their professional development.

## Wellness Recovery Action Plan:

Self-designed prevention and wellness process empowering individuals to overcome mental health issues and achieve personal goals.

## Sheltered Employment:

Karwan provides job positions for individuals in the third stage of recovery, focusing on skill-building and training.

## Group-Analytical Psychotherapy for Psychosis:

Promotes confidence and well-being by fostering positive contributions among patients.

# PROMOTING MENTAL HEALTH AND WELLNESS: KARWAN-E-HAYAT'S COMMITMENT

Karwan-e-Hayat, a leading mental health organization in Pakistan, continues its unwavering commitment to promoting mental health and wellness within our community. We are dedicated to providing comprehensive and compassionate care to individuals facing mental health challenges.

Our team of experienced professionals, including psychiatrists, psychologists, and social workers, work tirelessly to ensure that our clients receive the highest quality of care. Through a range of therapeutic services, including counseling, psychotherapy, and rehabilitation programs, we aim to empower individuals on their journey towards recovery and improved mental well-being.

Karwan-e-Hayat also recognizes the importance of destigmatizing mental health issues in society. We have actively engaged in awareness campaigns, workshops, and seminars to educate the public about mental health and foster a supportive environment for those seeking help. Karwan-e-Hayat expresses gratitude for the support received from clients, partners, and stakeholders. The office of the British Deputy High Commission, represented by Mr. Shehryar Aziz and Ms. Sarah Peng, visited to explore collaborations and enhance psychiatric care for the underprivileged.

They actively collaborate with community organizations, schools, and workplaces, recently participating in career fairs at universities like DHA SUFFA, IBA, and Iqra. Their team provides career counseling, emphasizes mental well-being, and shares information about their services.

Karwan-e-Hayat's student program offers practical experience for final-year students from institutions including Bahria College, Nixor College, Ziauddin College of Rehabilitation Services, Hamdard University, Commeccs College, and CAS School. They support aspiring psychiatrists and healthcare workers through internships and volunteering, aiming to foster a resilient and mentally healthy society.

Generous donations were received from Mondelez Pakistan, with ration packs donated by Mr. Usman Ahmed from tomatoes.pk. UNHCR Pakistan provided Dignity Kits, and representatives from UNHCR and Inspire Pakistan visited for collaboration discussions. A team from the PIECES mental health initiative, led by IRD Global and Ms. Victoria Bird from Queen Mary University of London, met with Karwan-e-Hayat's management for ongoing project discussions.

Collaborations with renowned organizations such as Crescent Steel and Engro Friesland Campina collaborated with Karwan-e-Hayat to promote mental well-being among their staff. Mental health awareness is a critical component of employee welfare and joining hands with market leaders provides impetus for Karwan's mission.

These partnerships and support enable Karwan-e-Hayat to enhance their services and reach more individuals in need of psychiatric care, making a positive impact on their lives. By challenging misconceptions about mental illness and promoting dialogue, we aim to create a society that values and prioritizes mental health just as it does physical health.



# BUILDING RESILIENCE: KARWAN-E-HAYAT'S HOLISTIC APPROACH TO MENTAL HEALTH



At Karwan-e-Hayat, we believe in the power of resilience—the ability to bounce back and thrive in the face of adversity. In our pursuit of comprehensive mental health care, we adopt a holistic approach that focuses not only on treating symptoms but also on nurturing resilience in individuals.

Our programs and services encompass various aspects of mental well-being, including emotional, social, and spiritual dimensions. Through individual and group therapy sessions, we create safe spaces for individuals to explore their emotions, develop coping mechanisms, and build healthy relationships. Additionally, our vocational rehabilitation programs empower individuals to regain a sense of purpose and productivity, enhancing their overall resilience and ability to cope.

In October 2022, the Karwan medical team were participants in a 2-day workshop titled “Theatre of the Oppressed”, organized by IRD Global. This was an innovative way to provide new learnings to the medical staff about treating and dealing with patients suffering from psychiatric ailments. Two trainers from IRD Global were tasked with the responsibility of imparting industry standard research findings to Karwan’s psychologists, nurses and community team. The interactive sessions, coupled with the knowledgeable trainers, helped to give a greater depth and understanding to the responsibilities undertaken by each member of the medical staff.

Karwan-e-Hayat also places great emphasis on family involvement and support. We recognize that a strong support system at home plays a vital role in an individual's recovery journey. By providing family therapy and educational programs, we equip families with the knowledge to better understand and support their loved ones.

# TRIUMPH OVER SCHIZOPHRENIA: A JOURNEY OF RESILIENCE AND HOPE

This story is one of courage, resilience, and the unwavering human spirit. It is a tale that exemplifies the transformative power of support and understanding.

Faiza\*, a 30-year-old unmarried woman, was a bright student, studying to be a doctor. However, when she was just 21 years old, her world started crumbling around her. The spark that once fueled her studies began to flicker, and she found herself drifting away from her ambitions.

Anxiety and fear gradually consumed Faiza, and she tried to escape from her own home. Aggression took hold, and her personal hygiene suffered. Suspicion overshadowed her relationships with her loved ones, and she started hearing voices that weren't there. Recognizing the seriousness of her condition, her family took her to a psychiatrist who prescribed medication, and she embarked on a lifelong journey with schizophrenia.

Faiza tried to work, but conflicts with colleagues led her to leave. Volunteering seemed like a promising path, but again, she struggled to adjust. Through it all, her family stood by her side but she was not getting any better.

Faiza's life took a turn for the worse when her second episode occurred. Cutting her hair because of imagined dandruff, became an act of self-preservation and paranoia gripped her tightly. Negative symptoms took their toll, and she withdrew into isolation, keeping her struggles hidden from her family. She went to neighbors and shared her concerns, even though her speech was not coherent.

Her third episode brought her to Karwan-e-Hayat, to her an unfamiliar facility, where the restricted environment and the persistence of her symptoms sparked anxiety within her. But Karwan-e-Hayat provided a lifeline, offering medications, day care, individual therapy sessions, and family psychoeducation.

At Karwan-e-Hayat, Faiza flourished in the supportive atmosphere of day care sessions. With the help of the treatment she accepted her illness, learned she was not alone, and discovered her own strength to manage her condition. Through her active participation in the outpatient treatment program at Karwan-e-Hayat, she gained knowledge about schizophrenia, accepted her limitations, and found solace in a support group.

As she continued her treatment journey, Faiza made the courageous decision to commit to our outpatient treatment. She became educated about schizophrenia and accepted the aspects she could not change. The realization that recovery was possible fueled her acceptance. She discovered a support group by Karwan-e-Hayat, where she found solace in knowing she was not alone. Over time, she learned that mental illness is nothing to be ashamed of, a crucial step in her journey of acceptance.

Faiza's recovery required trust and collaboration between herself and her therapists at Karwan-e-Hayat. With patience and perseverance, she navigated the arduous process of finding the right medication. Cognitive therapy, including counseling, demanded practice and resilience, enabling her to recognize and dismiss the debilitating symptoms that once haunted her. Our goal planning and community integration played vital roles in her treatment. Her unique strengths and desires formed the basis for her personalized goals, empowering her to achieve a fulfilling life. The process of reintegrating into society after a period of isolation allowed her to forge meaningful connections.

*\*Name has been changed for privacy*

# ADVANCING ACCESSIBLE MENTAL HEALTHCARE: KARWAN-E-HAYAT'S OUTREACH INITIATIVES



Karwan-e-Hayat is dedicated to breaking barriers and ensuring that mental healthcare is accessible to all individuals, regardless of their socio-economic background. Over the past year, we have undertaken several outreach initiatives for underserved communities and to extend our support to those in need.

The organization remains committed to advocating policy changes and increased investment in mental healthcare at the national level. We believe that by working together with government bodies and policymakers, we can create a more inclusive and comprehensive mental health support system.

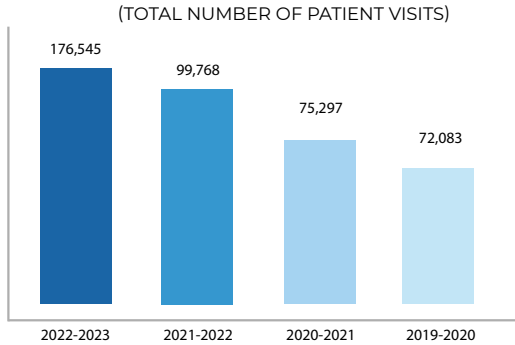
In September 2022, Karwan-e-Hayat organized a suicide prevention and awareness seminar for respected medical professionals and other stakeholders working for mental health. Insightful discussions about mental health awareness, various ways to fight and prevent suicide and multiple treatment possibilities were discussed at length during the event. An event of this magnitude helped to further the cause of mental wellness in our society and was an essential step in the right direction to engage with relevant policymakers and leadership.

At Karwan-e-Hayat, we recognize the importance of partnerships and collaborations in advancing our mission of accessible mental healthcare. We are grateful for the generous support of Rotary Club Karachi Continental, who have adopted one of our community outreach camps for an entire year. Engro Foundation and Infaq Foundation have also extended their support over the past year to sustain our Outreach program in the Ghaggar Phattak and Korangi areas respectively. These collaborations have been instrumental in expanding our reach and providing vital mental health services to communities that may not have had access otherwise.

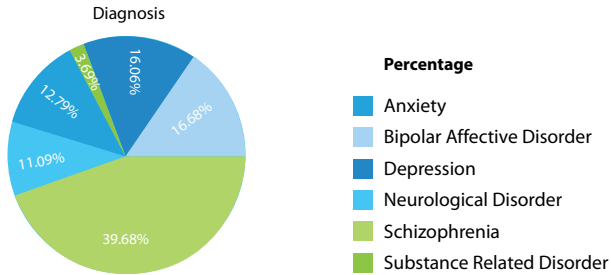
As we look towards the future, Karwan-e-Hayat reaffirms its commitment to advancing accessible mental healthcare by making a lasting impact. With the support of community organizations and our dedicated team, we continue to create positive change and foster a society that values mental well-being.

# PATIENT STATISTICS (JULY 2022 – JUNE 2023)

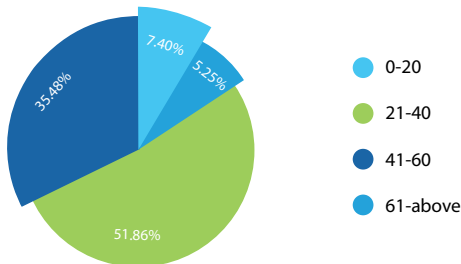
## PATIENT DATA



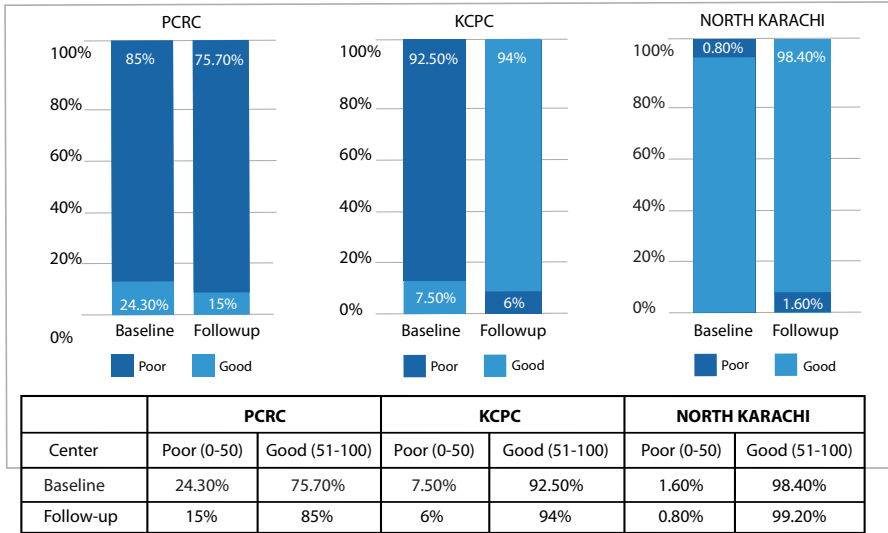
## PATIENT VISIT DIAGNOSIS



## AGE GROUP OF PATIENT VISITS

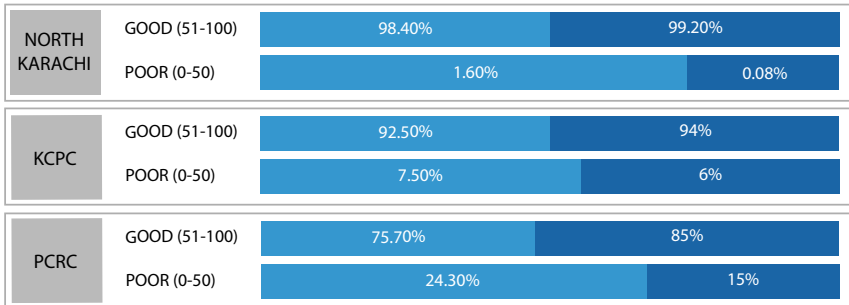


# GLOBAL ASSESSMENT OF FUNCTIONING (GAF) OF PATIENTS



## GLOBAL ASSESSMENT OF FUNCTIONING (GAF) OF PATIENTS

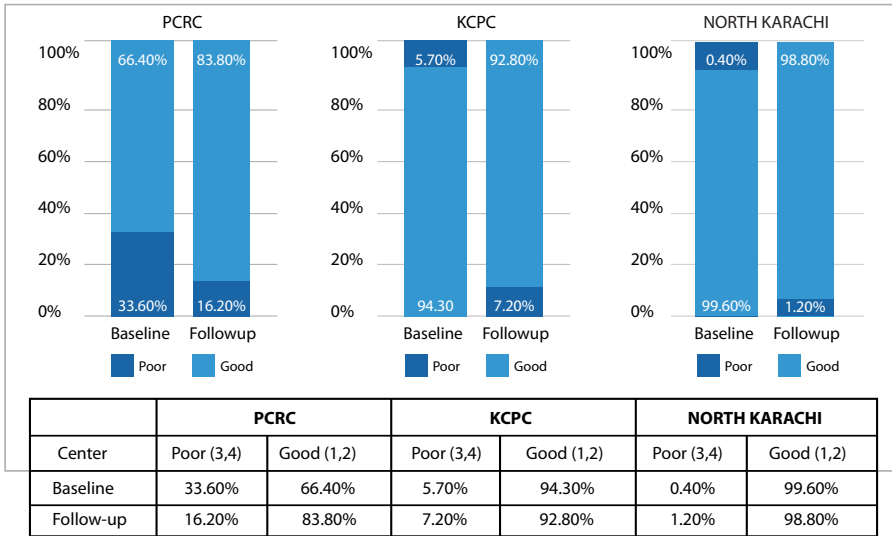
■ BASELINE ■ FOLLOW-UP



The Global Assessment of Functioning, or GAF, scale is used to rate how serious a mental illness may be. It measures how much a person's symptoms affect their day-to-day life on a scale of 0 to 100. It is designed to help mental health providers understand how well the person can do everyday activities. The score can help figure out what level of care someone may need and how well certain treatments might work.

**The average GAF scores on the baseline were 30. After 3 months of treatment, the GAF improved to 70. On a scale of 0 till 100, 0 is a minimum score (bad) and 100 is maximum (good).**

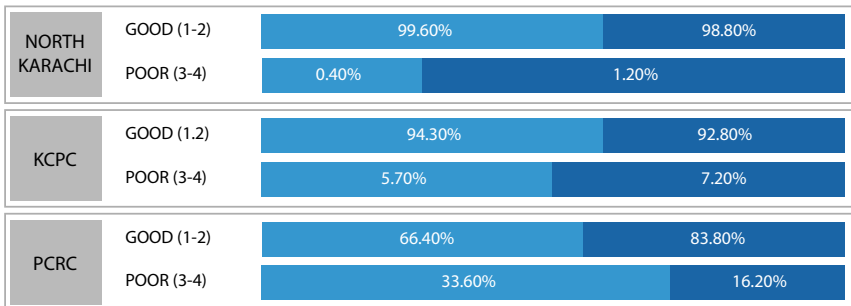
# MEDICINE COMPLIANCE REPORT



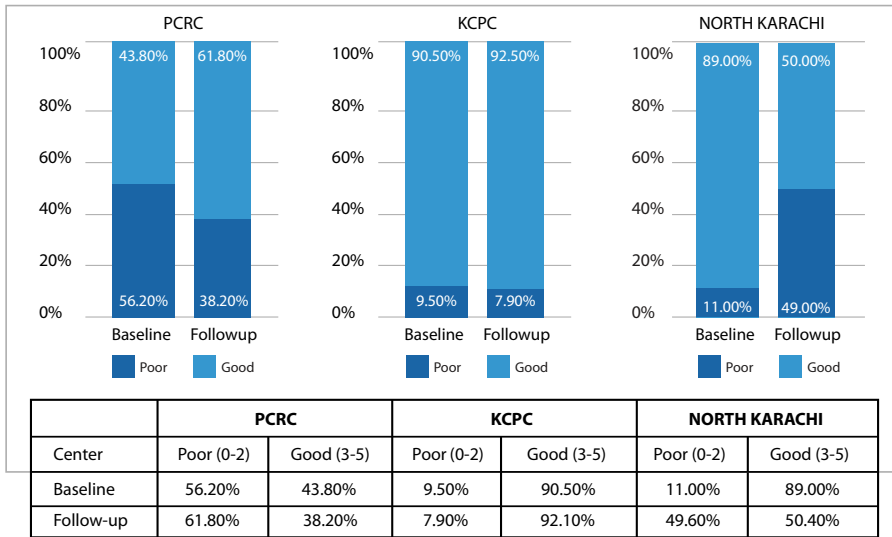
90% of the patients on baseline had poor compliance. After 3 months of treatment, medical compliance of 85% patients showed an improvement.

## MEDICINE COMPLIANCE REPORT

■ BASELINE ■ FOLLOW-UP



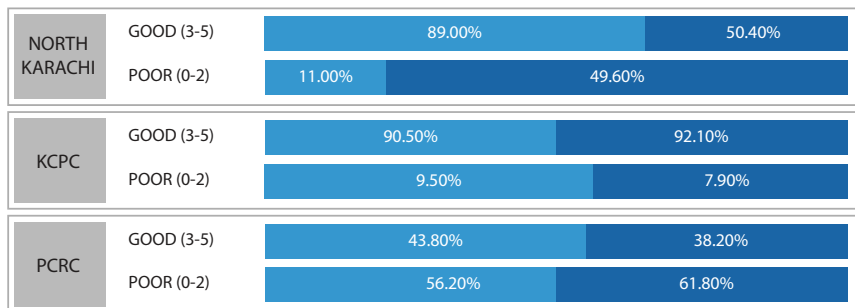
# WORK PERFORMANCE REPORT



Work performance of 90% of the patients were poor at baseline. After 3 months of treatment, work performance of 60% of the patients improved.

## WORK PERFORMANCE REPORT

■ BASELINE ■ FOLLOW-UP



# LOCATIONS OF COMMUNITY OUTREACH PROGRAM



## Karwan-e-Hayat operates at the following locations through its community outreach program:

### East Karachi

- Dawam Consultant – Block 13 D, Gulshan-e-Iqbal
- SESSI Dispensary, Korangi
- Cantonment Dispensary, Korangi Crossing
- V Serve Clinic – V Serve U
- Welfare Society, Martin Quarters, Jehangir Road
- ZMT Clinic – Maskan Chowrangi, Gulshan-e-Iqbal
- ZMT Clinic – Sachal Goth
- ZMT Clinic – Shanti Nagar Gulshan Town
- SEHA Medical, Mehmoodabad
- Urban Health Center, Federal B. Area
- Al-Mustafa Medical Center, Korangi 2/1-2

- Saleh Mohammad Goth, Bin Qasim Town
- Kohi Goth, Bin Qasim Town
- Razzakabad, Bin Qasim Town
- ZMT Clinic, Shah Faisal Colony
- SINA Clinic, Ghaghar Phattak

### North Karachi

- Karachi X-Ray Nazimabad # 7
- Kausar Lab & Diagnostic Center
- Hussain Lakhani Hospital, North Nazimabad, West Karachi

### West Karachi

- Sindh Government Qatar Hospital, Orangi Town



# COMMUNITY OUTREACH PROGRAM (JULY 2022 TO JUNE 2023)



	ZMT Clinic	Mobile Clinic	SINA Clinic Ghaghar Phattak	Hussain Lakhani Hospital	Mobile Clinic New	Govt Qatar Hospital	Indus Motors Toyota	Saylani Trust	Grand Total
<b>Community Activities</b>									
<b>From July 2022 to June 2023</b>									
Awareness Session Conducted	133	142	52	47	225	64	64	0	727
Male	61	6,110	270	1,401	3,194	759	588	0	12,383
Female	1,781	2,772	811	843	3,384	1,002	729	0	11,322
Total Participant	1,842	8,882	1,081	2,244	6,578	1,761	1,317	0	23,705
Camp Organized this month	104	105	29	27	137	47	54	50	553
Total Patients Visited	4,182	4,171	933	937	4,377	4,995	1,669	1,139	22,403
Male	588	2,524	208	407	1,996	2,216	823	815	9,577
Female	3,594	1,647	725	530	2,38	2,779	846	324	12,826
New Patients Registered	806	404	242	104	678	514	146	427	3,321
Follow-up Patients	3,376	3,767	691	833	3,699	4,481	1,523	712	19,082
Medication	4,095	4,092	907	914	4,261	4,984	1,626	0	20,879
Patient Counsellor in Camp	148	140	47	37	185	70	73	0	700
New Patients 1st Time Counselling	69	52	24	13	86	38	34	0	316
Follow-up Patients Counselling	79	88	23	24	99	32	39	0	384
Home Visits	23	371	41	87	462	108	163	0	1,255
<b>Diagnosis / Pathology Detail</b>									
Depression	1,335	773	224	119	956	1,410	442	125	5,384
Anxiety	1,768	1,855	477	371	1,884	1,635	507	453	8,950
OCD	36	36	1	21	6	69	1	10	180
BAD	426	426	128	179	471	749	373	119	2,871
Schizo Affective Disorder	530	1,002	77	224	944	1,121	303	322	4,523
Other Psychiatric issues	87	79	26	23	116	11	43	110	495
Refer Patient PCRC for Admission	0	4	0	0	2	1	0	0	7
Refer Patient for TB Screening	0	0	0	0	0	0	0	0	0

# HSE: HEALTH SAFETY & ENVIRONMENT

Health, Safety and Environment (HSE) are vital at Karwan-e-Hayat. In that capacity, Karwan-e-Hayat has a very organized HSE unit managing the well-being and safety of our patients as well as their caregivers and visitors. As per practice, Karwan-e-Hayat also ensures that our activities do not harm the environment because the staff and management are consciously aware of environmentally- friendly work ethics.

With the Coronavirus pandemic directing our endeavors in many aspects of activities, our motto at Karwan-e-Hayat is "Safety First". Our HSE unit has delegated responsibilities from top to bottom, allowing each employee to fully understand and participate in achieving our organizational HSE objectives. In order to keep everyone safe and reduce risks, responsibilities were assigned to employees from various departments.

## OUR "SAFETY FIRST" STANCE INCLUDES THE FOLLOWING MEASURES:

### PERSONAL PROTECTION STANDARD

Guidelines for working at heights, in the rain and on construction sites were developed, implemented and displayed around the premises. Karwan-e-Hayat also provided quality safety kits to operational and maintenance staff.

### SAFE USE OF CHEMICALS FOR FUMIGATION

For effective fumigation and pest control, Karwan-e-Hayat defined a process using globally approved chemicals. Staff was equipped with PPE for their safety and given special training to make them aware of Material Safety Data Sheet (MSDS).

### TRAINING AND AWARENESS SESSIONS

In keeping with our Safety First ethos, Karwan-e-Hayat organizes regular in-house and external training for staff members. We also conduct refresher courses throughout the year.

### CANTEEN AND FOOD SAFETY

To ensure that the food provided to the patients is safe and healthy and to minimize the risk of food-borne diseases, the HSE unit regularly conducts food, health and hygiene inspections. A Food Committee oversees food quality and safety at Karwan-e-Hayat.

## ACHIEVEMENTS FOR THE YEAR (JULY 2022 – JUNE 2023)

Karwan-e-Hayat is pleased to announce that it has received the following:

- Certified "Basic Life Support 2023" team recognition, awarded by Aga Khan University Hospital.
- Recognition for fire safety implementation according to "Building Code of Pakistan", awarded by Fire Protection Association of Pakistan.
- Recognition for "Fire Safety & EHS Arrangements", awarded by Karachi Port Trust.
- License renewed by "Sindh Food Authority" to operate kitchen at Karwan-e-Hayat based on successful inspection.
- Renewal of "Sindh Environmental Protection Agency (SEPA)" plan for Hospital Waste Management, valid till May 2024.



# EMBRACING QUALITY AT KARWAN-E-HAYAT!



Mr. Zaheer Uddin Ahmad, CEO Karwan-e-Hayat initiated the YesWeCare program in July 2022. He identified the need to form various committees to implement quality enhancement ideas for overall improvement in the existing premises and the operational structure.

45 members from across the organization agreed to participate in this program and formed the following teams.

- **Steering Team** – to develop and drive the YesWeCare program.
- **Core Audit Team** – to audit all the frameworks of all the departments.
- **Mentoring Team** which comprises all Heads of Departments with the purpose of training and mentoring all their respective team-members.
- **Reflection Team** – to review the current situation of Karwan-e-Hayat and to suggest future plans of action for achieving goals.
- **Media Team** – to develop and share publications every two months on the progress data of each sub-committee.
- **Monitoring Team** – to monitor the tasks of all the other sub-committees.

## Initiatives taken during the year:

1. Decision making, fact finding and process mapping workshops
2. Breaking departmental walls and encouraging cross-functionality across Karwan-e-Hayat
3. Safe Hospital Project – ensuring that patients do not contract Hospital Acquired Infection (HAI).
6. Community Outreach – attending to patients in a culturally sensitive way, thereby, helping them to regain their mental balance through counselling and medication.
4. Shadow Leaders
5. Self-Assessments (360 degree evaluation)

## Achievements:

1. Establishment of the daily Duty Officer concept.
2. Initiation of Excomm meetings.
3. Commencement of Japanese Quality Circles mechanism i.e. involving four or five representatives from different disciplines to work on a problem/issue and come out with a solution.

# NAUSHEEN FAISAL GHANI (NFG) OPD BLOCK PROJECT



## **Need for Renovation and Expansion:**

Before this project took shape, Karwan-e-Hayat's out-patient services were functioning with modest resources and multiple constraints. With limited space to accommodate a maximum of 40 patient visits per day, there was an urgent need to expand and upgrade the existing OPD. A dearth of space meant that the consultants, pharmacy and rehabilitation services were housed in make-shift spaces exposed wiring and plumbing in the old OPD posed a daily challenge in the smooth operations. Extensive efforts were made to renovate the existing facility but due to financial constraints, the expansion was not possible.

With the support of an extremely generous donor, Mr. Faisal Mahmood Ghani, Karwan-e-Hayat was able to extend and rebuild the existing facility into a state-of-the-art Out-Patient Department (OPD) to facilitate an increased number of patient visits and enhance the overall services offered at the hospital. The project was dedicated to the memory of (late) Mrs. Nausheen Faisal Ghani, and provided visiting patients and their families with appropriate reception, psychiatric consultation and counselling, rehabilitation and pharmacy services under one roof.

## **About the Nausheen Faisal Ghani OPD Block:**

The Project was completed in two phases:

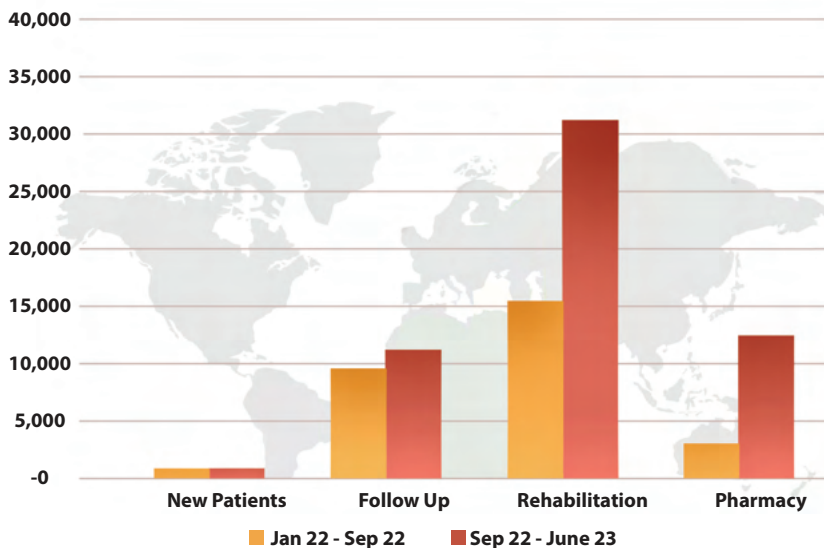
Phase I – Upgradation of OPD Block, Patient Waiting Area, Counselling Rooms and Pharmacy.

Phase II – Improvement of the façade, front entrance, boundary wall and landscaping.

This enabled:

1. Centralized patient-related services
2. Expansion of OPD waiting area to accommodate 400 patients with a direct entrance from outside as required by industry by-laws
3. Waiting area with proper overhead cover, seats, fans and ventilation
4. Provision for five Consultant rooms and four Therapy rooms
5. Relocation and improvement of Pharmacy services
6. Separate and upgraded male and female Day Care facilities and an Emergency Room
7. Concealed conduits, wires, pipes with safety tagging
8. Revamped, upgraded and renovated facelift for OPD Block and main entrance to the hospital

# PATIENT VISIT FACILITATION COMPARISON AFTER NEW NFG OPD INAUGURATION



## Impact of new OPD Block:

The impact of this project has been tremendous for the hospital and its patients.

Prior to the inauguration of the new OPD Block in October 2022, the hospital facilitated a total of 36,348 patient visits from January 2022 to September 2022 (9 months).

With tremendous effort and dedication, Karwan-e-Hayat launched its new OPD Block for patients on October 22, 2022. The new OPD Block will enable trouble-free operations and facilitate more patients. It is a one-window operation for the ease of patients and their families. With this new OPD Block, Karwan-e-Hayat was able to facilitate 67,098 patient visits from October 2022 to June 2023 (9 Months) which is an 85% increase in patient visits from the preceding 9 months.

- Friendly space for counselling sessions available at the new OPD for patients and their families. The improved space has made the patients and their families more receptive to therapy and awareness information concerning psychiatric ailments and their treatment.
- Patient satisfaction levels have risen, and this is reflected in a 30% increase in new patient and follow-up registrations. Consultations and related activities are all under one roof and concentrated in one larger and dedicated OPD space.
- With ample space, proper seating and fans to keep the area cool during the summer months, patients suffer minimum discomfort when waiting for their turn for consultation.
- Greater efficiency in managing larger patient inflow and outflow through increased capacity, while also giving Karwan-e-Hayat more opportunities for visibility and branding.

OCTOBER 10, 2022

# WORLD MENTAL HEALTH DAY



Members of the psychiatric fraternity joined Karwan-e-Hayat to celebrate World Mental Health Day and took active part in discussing issues regarding the stigma surrounding mental health, ending in a lively Q&A session. Students from Karachi University, Bahria University, Jinnah University, Ziauddin University and Federal Urdu University participated and set up various stalls to support the cause of mental health.

The speakers included Chairman, Karwan-e-Hayat | Mohammad Saleem, CEO, Karwan-e-Hayat | Zaheer Uddin Ahmed, CMO, Karwan-e-Hayat | Uroosa Talib, Dr. Ajmal Kazmi, Prof. Dr. Qudsia Tarique, Dr. Raza Ur Rehman and Prof. Dr. Khalida Rauf.

A special play called 'Mental Health Problems in Society' was also presented by IRD Global as part of the day's proceedings.

# MARCH 8, 2023 – WORLD WOMEN’S DAY

On the occasion of International Women’s Day, Karwan-e-Hayat held a seminar titled, “Women’s Mental Health” which took place at the KPT Staff College. The aim of this seminar was to highlight the challenges women face daily, especially those personally affected by the pandemic, recent floods, and societal discrimination, and the toll these circumstances had on their mental health. The seminar also highlighted and celebrated the resilience and strength of these women overcoming such mental health challenges today and every day.



The esteemed guest speakers for the event were Prof. Dr. Naeem Siddiqui, Prof. Dr. Iqbal Afridi, Prof. Dr. Unaiza Niaz, and Senator Dr. Kareem Khawaja. The event also included a theatre play by friends from IRD Global and a panel discussion.

# SEPTEMBER 9, 2022 SUICIDE PREVENTION AND AWARENESS SEMINAR

Karwan-e-Hayat organized a suicide prevention and awareness seminar in the presence of renowned industry experts. Insightful discussions about mental health awareness, ways to fight and prevent suicide and treatment possibilities were held. Professionals from Karwan-e-Hayat also put forward their opinion and experiences about treating patients who suffer from suicidal thoughts.

The speakers included Prof. Dr. Haider Naqvi, Prof. Dr. Qudsia Tarique, Prof. Dr. Raza Ur Rehman, Prof. Dr. Imran B Chuadry, Prof. Dr. Zafar Haider, Prof. Dr. Iqbal Afridi, Senator Dr. Kareem Ahmed Khawaja, CMO, Karwan-e-Hayat | Dr. Uroosa Talib.



# MAJOR HAPPENINGS THROUGHOUT THE YEAR

## **JULY 29, 2022 - KARWAN-E-HAYAT SIGNED AN MOU WITH KARACHI UNIVERSITY**

Karwan-e-Hayat signed a Memorandum of Understanding with Karachi University for joint ventures in the area of mutual interests on research, development, education and training. The MoU encompasses all faculties and department of KU and KeH and promises to be of benefit to both institutions.



## **OCTOBER 6, 2022 – KARWAN-E-HAYAT SIGNED AN MOU WITH ZIAUDDIN HOSPITAL**

This venture will provide immense training and internship opportunities for students of ZUH. This will open avenues to mental health research, training, and development opportunities.



## **NOVEMBER 7, 2022 – KARWAN-E-HAYAT SIGNED AN MOU WITH FEDERAL URDU UNIVERSITY**

This will promote mutual interests of both institutions in research and development, education, training and exchange of knowledge on a long-term non-commercial basis. FUU was represented by Dr. Khalida Tanveer and Dr. Shahid Iqbal.





# MAJOR HAPPENINGS THROUGHOUT THE YEAR

## **NOVEMBER 18, 2022 – KARWAN-E-HAYAT SIGNED AN MOU WITH THE HOUSE OF PEBBLES**

This collaboration will promote patient referral and the mutual interests of both the institutions in facilitating their services. The House of Pebbles was represented by their CEO, Ms. Nayab Zafar and Aisha Jawed Motiwala, Program Manager.



## **APRIL 11, 2023 – ROTARY CLUB OF KARACHI, CONTINENTAL SPONSORS COMMUNITY OUTREACH CAMP**

Rotary Club of Karachi, Continental has generously adopted one community outreach camp for the duration of one year. Earlier, President of Rotary Club of Karachi, Continental, Mr. Mansoor Ali Khan, and the in-coming President, Mr. Iftikhar Azam, had visited Karwan-e-Hayat and met with Mr. Zaheer Uddin Ahmad, CEO Karwan-e-Hayat, and other senior members. In May 2023, Mr. Mansoor Ali Khan paid a visit to the

adopted camp, Sindh Employees Social Security Institute (SESSI) outreach community camp at Korangi, to personally observe how the Karwan-e-Hayat team was performing at the camp.



## **JUNE 23, 2023 – KARWAN E HAYAT SIGNED AN MOU WITH SAYLANI WELFARE INTERNATIONAL TRUST**

Under this MoU, Karwan-e-Hayat will facilitate a medical camp at a Saylani Centre once a week and will provide free consultations and counselling to patients referred by Saylani.

The MoU was signed by Karawan-e-Hayat CEO, Mr. Zaheer Uddin Ahmad, and Saylani Welfare International Trust was represented by Mr. Muhammad Madani Raza.



# OUR PARTNERS, SUPPORTERS &



# SPONSOR ORGANIZATIONS

 <p>The Aga Khan University Hospital</p>	 <p>SINA Health, Education &amp; Welfare Trust</p>	 <p>ZIAUDDIN UNIVERSITY</p>	 <p>IRD Interactive Research &amp; Development</p>
 <p>Federal Urdu University of Arts, Science &amp; Technology</p>	 <p>UNIVERSITY OF KARACHI</p>	 <p>Allama Iqbal Open University Research, Pakistan 10000</p>	 <p>INSTITUTE OF PROFESSIONAL EDUCATION پیشہ ورانہ تعلیمی ادارہ</p>
 <p>NED UNIVERSITY OF ENGINEERING &amp; TECHNOLOGY</p>	 <p>IQRA UNIVERSITY IU</p>	 <p>Nixor College</p>	 <p>D.U.H.S.</p>
 <p>The C.A.S. School</p>	 <p>SZABIST</p>	 <p>SINDH MEDICAL COLLEGE Sindh, Pakistan</p>	 <p>HABIB PUBLIC SCHOOL</p>
 <p>CEDAR COLLEGE</p>	 <p>COMMECS COLLEGE</p>	 <p>Beatonhouse</p>	

# INTERNATIONAL AFFILIATIONS

 <p>The Brain Charity</p>	 <p>Psychiatric Rehabilitation Association</p>	 <p>The Brain Trust</p>
 <p>MIND</p>	 <p>IIRD</p>	 <p>MHIN   Mental Health Innovation Network</p>

“The humanity we all  
share is more important  
than the mental illnesses  
we may not.”



**DIRECTOR'S  
REPORT  
2023**



# DIRECTOR'S REPORT



The Directors of Karwan-e-Hayat (KeH) – Institute of Mental Health Care are pleased to present the Annual Report along with the audited financial statements for the year ended 30 June 2023.

## **Principal Activities of Karwan-e-Hayat**

Karwan-e-Hayat provides free psychiatric treatment and rehabilitation to neglected and underprivileged people suffering from mental disorders in Karachi. The institution offers Outpatient, Inpatient, Rehabilitation and Community Outreach Services through its two facilities in Keamari and Korangi and through 20 Community Outreach camps within the city of Karachi.

A team of more than 170 employees work diligently to carry out Karwan-e-Hayat's mission of providing relief to those suffering from mental ailments.

The operations of the institution are as follows:

- Psychiatric Care & Rehabilitation Centre (PCRC), Keamari, is the flagship facility of Karwan-e-Hayat, which caters to all mental health issues under one roof. It has a 110-bed in-patient facility, a purpose-built OPD block, and offers comprehensive rehabilitation services.
- Korangi Community Psychiatric Centre (KCPC) provides community-based psychiatric care through OPD facilitation.
- Community Outreach Camps – Over 50 monthly camps, at 20 different locations across Karachi, offer OPD services, awareness sessions, individual home visits and family psycho-social education. Patients are also provided free consultation and medicines at these camps.

At present, almost 96% of overall patients are treated free of cost and provided with medications at highly subsidized rates at these facilities and in the community outreach camps.

## Operational and Financial Performance

Description	2023 (PKR)	2022 (PKR)	Variance (%)
Donations	41,113,736	44,989,823	-9
Zakat	53,759,911	52,592,231	2
Receipts from patients	104,302,335	81,075,580	29
Grant income	14,549,506	11,319,678	29
<b>Operating Expenditure</b>			
Operating expenses	190,566,775	166,060,133	15
Administrating expenses	25,234,205	20,714,107	22
<b>Total Assets</b>	91,327,263	62,671,505	46
<b>Net Assets</b>	53,228,061	35,519,789	50

Escalating costs due to supply chain issues arising from countrywide flooding as well as the current economic situation resulting in a high inflation rate in Pakistan, was the main discerning feature of 2022-23. Due to rescue and relief and then rehabilitation of the flood victims resulted in the decrease in donations of the institute by 9%. Operating expenditure of the institute increased by 15%. The major focus of the Institute was to provide improved quality care to patients. The overall OPD infrastructure was upgraded and was enhanced to cater the growing needs of the patient pool.

The institute's Zakat process (both collection and utilization) is regularly reviewed by the Shariah Advisor whose report is annexed as part of this Annual Report.

### Directors

At the date of this report, the Directors of the institute are:

### Non-Executive Directors

- |                                  |                                       |
|----------------------------------|---------------------------------------|
| 1. Mr. Mohammad Salim – Chairman | 2. Mr. Ali Ahmed Khan – Vice Chairman |
| 3. Mr. Yacoob Suttar             | 4. Ms. Talaat Naeem Tyabji            |
| 5. Ms. Qaisra Saleemuddin Ahmed  | 6. Ms. Shameem Zuberi                 |
| 7. Ms. Ayesha Irshad Miyan       | 8. Mr. Faisal Mahmood Ghani           |
| 9. Mr. Aamar Hassan              |                                       |

### Chief Executive Officer

Mr. Zaheer Uddin Ahmad

# DIRECTOR'S REPORT

## Composition of our Board of Directors

The total number of Directors is 9 and male to female ratio is 5:4

## Election of Directors

The Board would like to thank and place on record its deepest appreciation for the valuable services rendered by the outgoing directors in 2022. Outgoing Directors, pursuant to resignation, are as follows:

- i) Mr. Imran Khalid Zafar resigned on November 16, 2022
- ii) Mrs. Meher Bano Qureshi resigned on November 18, 2022
- iii) Mr. Khalid Bilal Osmany resigned on February 28, 2023

Mr. Faisal Mahmood Ghani and Mr. Aamar Hassan were Appointed before election to fill in the casual vacancies on February 11, 2023.

## Board Meetings and Attendance

The Board holds regular meetings throughout the year. During the financial year ended 30 June 2023, six (06) meetings of the Board of Directors were held. None of the meetings were held outside Pakistan. The details of attendance at such Board meetings are as follows:

Name of Director	Meetings	Attended
<b>Non-Executive Directors</b>		
Mr. Mohammad Salim – Chairman	6	6
Mr. Ali Ahmed Khan – Vice Chairman	6	4
Mr. YacooB Suttar	6	6
Ms. Talaat Naeem Tyabji	6	6
Ms. Qaisra Saleemuddin Ahmed	6	5
Ms. Shameem Zuberi	6	6
Ms. Ayesha Irshad Miyan	6	3
Mr. Faisal Mahmood Ghani (Joined in Feb 2023)	6	3
Mr. Aamar Hassan (Joined in Feb 2023)	6	2

Leave of absence was granted to the Directors who did not attend the meetings.

## Maintaining Financial Stability

One of the most significant aspects of Institute's strategic planning is maintenance of sufficient reserves at all times to ensure unhindered operations and seamless service delivery.

Through our vigilant and appropriate risk mitigation measures we strive to navigate difficult bottlenecks that may arise from time to time and also to maintain robust financial sustainability.



## Effective Compliance and Risk Management

Owing to the changing landscape and evolving regulations, guidelines and rules for non-profit organizations, legal and compliance areas require constant attention. The Board is cognizant of the matter and has strengthened the roles of sub Committees of the board:

Principal risks and uncertainties of the Foundation are:

Risks	Mitigation Action
Reputational Risk	We manage this through organizational training, implementation of policies and procedures to ensure that all KeH employees know how to act and respond appropriately in any situation.
Regulatory Risk	We keep up with the regulatory changes and create internal policies and procedures to implement them.
Contribution Risk	This is managed by diversifying our financial resources for continuous flow of funds.
Investment Risk	We stay diversified within each type of investment.
Internal Control Risk	We manage this through an independent internal audit function that reports directly to the Board. Other monitoring mechanisms are in place at an organizational and departmental level as well.
Recruitment & Retention Risk	We attract, develop and retain the best talent at all levels of the organization.
Safeguarding Risk	A set of policies, procedures and practices are in place to ensure that no harm comes to children or other stakeholders as a result of their contact with the organization, its programs or people.

## Statement on Corporate and Financial Reporting Framework

The Directors of Karwan-e-Hayat take pleasure in presenting this report, together with the Accounts of the organization for the year ended June 30, 2023. The Board members are pleased to state that the management of the organization is committed to good corporate governance and complying with the best practices as applicable to a Section 42 company. In compliance with the Code of Corporate Governance, the Directors are pleased to state as follows:

- The financial statements prepared by the management of the Company present its state of affairs, the result of its operations, cash flows and changes in equity.
- Proper books of accounts of the Company have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of the financial statements and accounting estimates are based on reasonable and prudent judgement.

# DIRECTOR'S REPORT

- International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of the financial statements.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There are no significant doubts upon the Organization's ability to continue as a going concern.
- There has been no material departure from the best practices of corporate governance as detailed in the regulations. Financial statements for the year 2022-2023 are presented in this report.

Abstract under section 213 (1) of the Companies Act, 2017

During the year ended 30 June 2023, the remuneration of Zaheer Uddin Ahmad, Chief Executive Officer was increased from PKR 7,492,865 per annum to PKR 7,750,000 per Annum. There were no changes in other terms and conditions of his appointment.

## **Involvement of the Board of Directors**

Karwan-e-Hayat's Board of Directors is a group of experienced and qualified professionals who bring their diverse knowledge and skills to the organization. The Board monitors progress against strategic objectives, fundraising plans, financial trends and their implications to ensure that KeH operations are stable and are aligned with its core mission. No Director or their relatives received any remuneration, payment or benefit directly or indirectly from the institution.

Further, members of the Board are actively involved in fundraising for KeH and serving as a source of guidance for all functional leaders within the organization.

## **Financial Statements**

The financial statements of the Foundation have been approved by the Directors and duly audited by BDO Ebrahim & Co. Chartered Accountants; their report is attached with the financial statements.

## **Future Outlook**

The Board and management's main concern in the immediate aftermath of COVID-19 and the devastation caused by the unprecedented rains and floods across the country in July and August 2022 is to help alleviate the suffering of the affected communities around Karachi. The fiscal year 2022-2023 provided facilitation to more than 175,000 patient visits and now the Board has authorized plans to facilitate even more for the foreseeable future through:

- expansion in OPD operations
- increased patient referrals
- improved quality and hospital infrastructure
- easier access to mental health care through an increase in outreach activities
- continuous quality improvement initiatives
- State-of-the-art evidence-based treatment and rehabilitation

# DIRECTOR'S REPORT

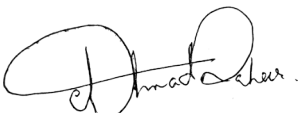
- prevention of mental health issues with health promotion.

Plans are also in place to expand operations by increasing our static locations to cater to patients beyond the Keamari and Korangi areas. By adding another location to our operations, it takes us a step closer towards our eventual goal of becoming a world-class facility in psychiatric healthcare. This has become a non-negotiable goal for the next year and we have taken measures to assess organizational capacity, capability and financial standing to meet specified benchmarks. This will assist in making mental health care more accessible to the masses with a one-stop solution at another accessible location.

Tele-psychiatry is another space that KeH intends to enhance its footprint into. Research indicates that service follow-up can be significantly reduced from 44 days to 22 days as a result of phone calls or using WhatsApp. There are almost 100 million smartphone users in Pakistan and our team is looking into the possibility of tapping into this segment and improve the penetration. While the objective remains to increase the number of new patient registrations, there is a realization that first-time patients are not too keen on online consultation. Therefore, efforts are in the pipeline to develop a strategy to convert more walk-in patients into telephonic follow-ups. Furthermore, efforts are also underway to collaborate with other institutions outside of Karachi and promote the idea of tele-psychiatry. The aim is to encourage those patients to adopt this method of consultation who do not reside within close proximity to a mental healthcare facility.

To help execute the above strategy, a thorough plan has been chalked out to secure appropriate funding to commence targeted operations.

- Approach financial institutions, banks and public sector organizations with a major focus on securing donations through their assistance. Additionally, KeH will also engage with existing donors to secure increased funding from them as well as re-energize dormant financial supporters.
- Reach out to Pakistani diaspora and obtain additional funding through that channel. Proposal has been shared with Directors seeking approval to officially establish a Karwan-e-Hayat USA Chapter. This will not only be limited to USA but all across the globe where Pakistani diaspora are residing in healthy numbers.
- Establish a connection with the Government and obtain Zakat and donation support for the upcoming fiscal year. Efforts are underway to establish connections with relevant government leadership to secure funding for operational and capital projects.
- Major theme for the upcoming fiscal year is greater donor engagement with existing and potential donors. KeH Board members and Advisors are fully engaged to assist in connecting with corporates, entrepreneurs and individual supporters.



**Mr. Zaheer Uddin Ahmad**



**Mr. Muhammad Salim**



# FINANCIAL STATEMENTS

For the year ended  
June 30, 2023



**FINANCIAL STATEMENTS  
OF  
KARWAN-E-HAYAT  
(INSTITUTE FOR MENTAL HEALTH CARE)  
FOR THE YEAR ENDED  
JUNE 30, 2023**

## AUDITOR'S REPORT TO THE MEMBERS ON THE FINANCIAL STATEMENTS

### Opinion

We have audited the annexed financial statements of Karwan-e-Hayat (Institute for Mental Health Care) (the Institute), which comprise the statement of financial position as at June 30, 2023, and the statement of income and expenditure, the statement of other comprehensive income, the statement of changes in fund balance and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position and the statement of income and expenditure, the statement of other comprehensive income, the statement of changes in fund balance and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Institute's affairs as at June 30, 2023 and of the surplus, the changes in fund balance and its cash flows for the year then ended.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Institute in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the other information. The other information comprises the information included in the annual report of the Institute for the year ended June 30, 2023, but does not include the financial statements and our auditor's report thereon.

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

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

### Responsibilities of Management and the Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of the Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Institute's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Institute or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Institute's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Institute's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Institute to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

**Report on Other Legal and Regulatory Requirements Based on our audit, we further report that in our opinion:**

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

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

KARACHI

DATED: 07 OCT 2023

UDIN: AR202310742zrUqtdT32

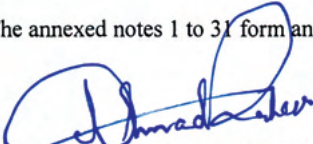
*BDO Ebrahim & Co.*  
BDO EBRAHIM & CO.  
CHARTERED ACCOUNTANTS



**KARWAN-E-HAYAT (INSTITUTE FOR MENTAL HEALTH CARE)**  
**(A COMPANY UNDER SECTION 42 OF COMPANIES ACT, 2017)**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2023**

		2023	2022
	Note	------(Rupees)-----	
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property and equipment	5	69,304,007	46,366,856
Long-term deposits and advances		790,049	660,049
Long-term investments	6	-	39,300,000
		<u>70,094,056</u>	<u>86,326,905</u>
<b>CURRENT ASSETS</b>			
Inventory	7	19,173,386	4,887,512
Advances and prepayments	8	3,846,465	2,888,258
Short-term investments	9	128,000,000	57,000,000
Contribution receivable		8,552,232	11,707,293
Interest accrued on investments		1,282,191	2,650,515
Cash and bank balances	10	8,547,945	41,606,890
		<u>169,402,219</u>	<u>120,740,468</u>
<b>TOTAL ASSETS</b>		<u><u>239,496,275</u></u>	<u><u>207,067,373</u></u>
<b>FUNDS AND LIABILITIES</b>			
<b>RESERVES</b>			
General fund		84,381,321	74,353,531
Endowment fund		55,000,000	55,000,000
		<u>139,381,321</u>	<u>129,353,531</u>
<b>NON-CURRENT LIABILITY</b>			
Liabilities against assets subject to finance lease	11	2,471,694	-
<b>CURRENT LIABILITIES</b>			
Accrued and other liabilities	12	14,267,242	12,960,226
Current portion of finance lease	11	1,591,053	-
Deferred grant	13	81,784,965	64,753,616
		<u>97,643,260</u>	<u>77,713,842</u>
<b>TOTAL FUNDS AND LIABILITIES</b>		<u><u>239,496,275</u></u>	<u><u>207,067,373</u></u>
<b>CONTINGENCIES AND COMMITMENTS</b>	14		

The annexed notes 1 to 31 form an integral part of these financial statements.

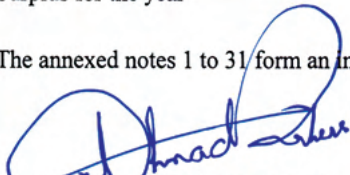
  
**CHIEF EXECUTIVE OFFICER**

  
**DIRECTOR**

**KARWAN-E-HAYAT (INSTITUTE FOR MENTAL HEALTH CARE)**  
**(A COMPANY UNDER SECTION 42 OF COMPANIES ACT, 2017)**  
**STATEMENT OF INCOME AND EXPENDITURE**  
**FOR THE YEAR ENDED JUNE 30, 2023**

		2023	2022
	Note	----- (Rupees) -----	
<b>INCOME</b>			
Donations	15	41,113,736	44,989,823
Zakat	16	53,759,911	52,592,231
Receipts from patients	17	104,302,335	81,075,580
Grant income	18	14,549,506	11,319,678
Investment income		9,658,773	7,858,776
Other income	19	2,444,509	4,050,551
		<u>225,828,770</u>	<u>201,886,639</u>
<b>EXPENDITURE</b>			
Operating expenses	20	<u>190,566,775</u>	<u>166,060,133</u>
Administrative and general expenses	21	<u>25,234,205</u>	<u>20,714,107</u>
		<u>215,800,980</u>	<u>186,774,240</u>
Surplus for the year		<u><u>10,027,790</u></u>	<u><u>15,112,399</u></u>

The annexed notes 1 to 31 form an integral part of these financial statements.

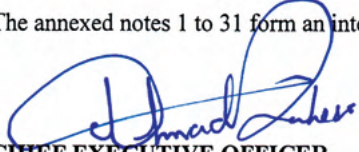
  
**CHIEF EXECUTIVE OFFICER**

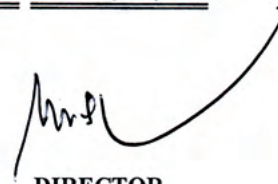
  
**DIRECTOR**

**KARWAN-E-HAYAT (INSTITUTE FOR MENTAL HEALTH CARE)**  
 (A COMPANY UNDER SECTION 42 OF COMPANIES ACT, 2017)  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	2023	2022
	----- <b>(Rupees)</b> -----	
Surplus for the year	10,027,790	15,112,399
Other comprehensive income	-	-
Total comprehensive income for the year	<u>10,027,790</u>	<u>15,112,399</u>

The annexed notes 1 to 31 form an integral part of these financial statements.

  
**CHIEF EXECUTIVE OFFICER**

  
**DIRECTOR**

**KARWAN-E-HAYAT (INSTITUTE FOR MENTAL HEALTH CARE)**  
**(A COMPANY UNDER SECTION 42 OF COMPANIES ACT, 2017)**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	2023	2022
Note	------(Rupees)-----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Surplus for the year	10,027,790	15,112,399
Adjustments for non cash and other items:		
Depreciation	10,947,486	4,320,492
Interest income on investments	(9,658,773)	(7,858,776)
Finance cost	665,649	155,387
	11,982,152	11,729,502
<b>(Increase) / decrease in current assets</b>		
Inventory	(14,285,874)	1,949,938
Advance and prepayments	(958,207)	(937,574)
Contribution receivable	3,155,061	3,697,463
	(12,089,020)	4,709,827
<b>Increase / (decrease) in current liabilities</b>		
Accrued and other liabilities	1,307,016	(11,074,056)
Finance cost paid	(665,649)	(155,387)
Deferred grant	17,031,349	42,413,311
	17,672,716	31,183,868
Net cash flows from operating activities	17,565,848	47,623,197
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Additions to property and equipment	(23,408,660)	(29,509,817)
Additions to CWIP	(5,228,879)	(10,562,067)
Proceeds from disposal of property and equipment	-	900,555
Short term investments	(71,000,000)	3,000,000
Long-term deposits and advances	(130,000)	7,342,176
Long term investments	39,300,000	13,010,000
Interest received on investments	11,027,097	7,159,829
Net cash used in investing activities	(49,440,442)	(8,659,324)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment against assets subject to finance lease	(1,184,351)	(704,201)
Net cash used in financing activities	(1,184,351)	(704,201)
Net (decrease) / increase in cash and cash equivalents	(33,058,945)	38,259,672
Cash and cash equivalents at the beginning of the year	41,606,890	3,347,218
Cash and cash equivalents at the end of the year	10 8,547,945	41,606,890

The annexed notes 1 to 31 form an integral part of these financial statements.

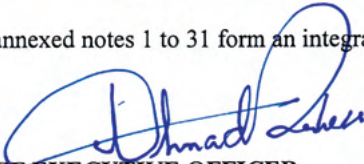
  
**CHIEF EXECUTIVE OFFICER**

  
**DIRECTOR**

**KARWAN-E-HAYAT (INSTITUTE FOR MENTAL HEALTH CARE)**  
**(A COMPANY UNDER SECTION 42 OF COMPANIES ACT, 2017)**  
**STATEMENT OF CHANGES IN FUND BALANCE**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	General fund	Endowment fund	Total
	----- <b>(Rupees)</b> -----		
Balance as at July 01, 2021	59,241,132	55,000,000	114,241,132
Surplus for the year	15,112,399	-	15,112,399
Balance as at June 30, 2022	<u>74,353,531</u>	<u>55,000,000</u>	<u>129,353,531</u>
Balance as at July 01, 2022	74,353,531	55,000,000	129,353,531
Surplus for the year	10,027,790	-	10,027,790
Balance as at June 30, 2023	<u>84,381,321</u>	<u>55,000,000</u>	<u>139,381,321</u>

The annexed notes 1 to 31 form an integral part of these financial statements.

  
**CHIEF EXECUTIVE OFFICER**

  
**DIRECTOR**

**KARWAN-E-HAYAT (INSTITUTE FOR MENTAL HEALTH CARE)**  
**(A COMPANY UNDER SECTION 42 OF COMPANIES ACT, 2017)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

**1 STATUS AND NATURE OF ACTIVITIES**

Karwan-e-Hayat (Institute for Mental Health Care) (the Institute) is a not for profit organization incorporated in Pakistan in 1983 as a company limited by guarantee under the provisions of the repealed Companies Act 1913, (thereafter repealed Companies Ordinance, 1984 and now Companies Act, 2017). The purpose of the Institute is to establish and run institutions in Pakistan for treatment and rehabilitation of psychologically distressed persons on a non-profit basis. Its founding members included Begum Rana Liaquat Ali Khan, Begum Abdul Kadir, Prof. Anita Ghulam Ali, Dr. Zaki Hasan, Dr. Abdullah Hussaini and Dr. M. Zafar Quraishi. Its registered office is situated at Room No.101, First Floor, Al-Noor Arcade, C-5/6, Khayaban-e-Jami Karachi.

The Institute has a multi-disciplinary approach involving psychiatrists, psychologists, neurologists, sociologists and social workers who help, not only with free treatment and rehabilitation, but also organize day camps in low income areas to spread public awareness about curability of mental illnesses and availability of free treatment and health care services provided by the Institute.

**1.1 Particulars of the operational units in the name of Institute are as follows:**

<b>Location</b>	<b>Owned/Rented</b>	<b>Usage</b>
Psychiatric Care and Rehabilitation Centre	Rented	Psychiatric and Rehabilitation Centre
Plot # N-36, Main Korangi Road	Rented	Community Psychiatric Centre
The Jami Clinic at Punjab Colony	Owned	Outpatient Clinic

**2 BASIS OF PREPARATION**

**2.1 Statement of compliance**

These financial statements have been prepared in accordance with accounting and reporting standards, as applicable in Pakistan. The approved accounting and reporting standards comprise of:

- International Financial Reporting Standard (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

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

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

## **2.2 Basis of measurement**

These financial statements have been prepared under the historical cost basis except as stated otherwise in financial statements.

## **2.3 Functional and presentation currency**

These financial statements are presented in Pakistani Rupees ('Rupees' or 'Rs.') which is the Institute's functional and presentation currency.

## **2.4 Significant accounting estimates and judgments**

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

The estimates and assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized on the period in which the estimates are revised if the revision affects only that period, or in the period of revision or future periods if the revision affects both current and future periods, The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are as follows:

- (i) Assumptions and estimates used in determining the recoverable amount, residual values and useful lives of property and equipment (note 4.1)
- (ii) Assumptions and estimates used in determining lease term and incremental borrowing rate of right of-use assets and corresponding lease liabilities

- (iii) Assumptions and estimates used in calculating the provision for impairment for account receivables
- (iv) Impairment of non-financial assets (note 4.3.2)
- (v) Inventory (note 4.4)
- (vi) Revenue recognition (note 4.7)
- (vii) Provisions (note 4.8)

### 3 APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS

#### **New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2023**

The following standards, amendments and interpretations are effective for the year ended June 30, 2023. These standards, amendments and interpretations are either not relevant to the Institute's operations or did not have material impact on the financial statements other than certain additional disclosures.

	<b>Effective date (annual periods beginning on or after)</b>
Amendments to IFRS 3 'Business Combinations' - Reference to the conceptual framework	January 01, 2022
Amendments to IAS 16 'Property, Plant and Equipment' - Proceeds before intended use	January 01, 2022
Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' - Onerous Contracts - Cost of fulfilling a contract	January 01, 2022

Certain annual improvements have also been made to a number of IFRSs.

#### **New accounting standards, amendments and interpretations that are not yet effective**

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



- (iv) Impairment of non-financial assets (note 4.3.2)
- (v) Inventory (note 4.4)
- (vi) Revenue recognition (note 4.5)
- (vii) Provisions (note 4.8)

### 3 APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS

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	<b>Effective date (annual periods beginning on or after)</b>
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Supplier finance arrangements	January 01, 2024
Amendments to IFRS 16 'Leases' - Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Disclosure of Accounting Policies	January 01, 2023
Amendments to IAS 1 'Presentation of Financial Statements' - Non-current liabilities with covenants	January 01, 2024
Amendments to IAS 7 'Statement of Cash Flows' - Supplier finance arrangements	January 01, 2024
Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of Accounting Estimates	January 01, 2023
Amendments to IAS 12 'Income Taxes' - Deferred Tax related to Assets and Liabilities arising from a single transaction	January 01, 2023
Amendments to IAS 12 'Income Taxes' - Temporary exception to the requirements regarding deferred tax assets and liabilities related to pillar two income taxes	January 01, 2023

The following new standards and interpretations have been issued by the International Accounting Standards Board (IASB), which have not been adopted locally by the Securities and Exchange Commission of Pakistan (SECP):

IFRS 1	First Time Adoption of International Financial Reporting Standards
IFRS 17	Insurance Contracts

## 4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

### 4.1 Property and equipment

#### a) Owned

Property and equipment, except for freehold land, are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation on property and equipment is charged to statement of income and expenditure applying the straight line balance method whereby the cost of an asset is reduced over its estimated useful life at rates specified in note 5 to the financial statements. Depreciation on additions is charged from the month in which an asset is acquired or capitalized while no depreciation is charged for the month in which the asset is derecognized / disposed off.

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

Subsequent costs are included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the entity and its cost can be reliably measured. Cost incurred to replace an item of equipment is capitalized and the asset so replaced is retired from use and its carrying amount is derecognized. Normal repairs and maintenance are charged to the statement of income and expenditure as and when incurred. Gain or loss on disposal or retirement of operating fixed assets is taken to statement of income and expenditure.

#### b) Right-of-use assets

The right of use asset is measured at cost, as the amount equal to initially measured lease liability adjusted for lease payments made at or before the commencement date, initial direct cost incurred less any lease incentives received.

The right-of-use asset is subsequently depreciated using straight line method from the date of recognition to the earlier of the end of useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of the right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by the impairment losses, if any, and adjusted for certain remeasurement of the lease liability.

## **Lease liability**

The lease liability is measured upon initial recognition at the present value of the future lease payments over the lease term and discounted with incremental borrowing rate.

Subsequently lease liabilities are measured at amortized cost using the effective interest rate method. It is remeasured when there is a change in future lease payments arising from a change in the rate, if there is a change in the Institute's estimate of the amount expected to be payable under a residual value guarantee, or if the Institute changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in income and expenditure statement if the carrying amount of the right-of-use asset has been reduced to zero.

### **4.1.1 Contributed property and equipment**

Contributed property and equipment received as donation in kind are recognized at fair value and subsequently stated after deducting accumulated depreciation and impairment losses, if any.

## **4.2 Financial instruments**

Financial assets and financial liabilities are recognized when the Foundation becomes a party to

### **Initial recognition**

Financial assets and financial liabilities are recognized initially at cost which is the fair value of the consideration given for it, including associated transaction costs except that are incurred on financial assets and liabilities at fair value through profit or loss in which case transaction costs are recorded in the income and expenditure account. Financial assets and liabilities are subsequently measured at either fair value or amortized cost with change in value of the assets and liabilities recorded in income and expenditure account.

## **4.3 Impairment**

### **4.3.1 Financial assets**

The impairment model under IFRS 9 requires the recognition of impairment based on expected credit losses. The impairment model applies to financial assets classified at amortised cost.

### **4.3.2 Non - financial assets**

The carrying amounts of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If any such indication exists then the assets' recoverable amount is estimated. An impairment loss is recognized, as an expense in the statement of income and expenditure, for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost to sell and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

An impairment loss reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

### **4.4 Inventory**

Inventories comprise of medicines, consumables and general supplies such as surgical supplies, stationary and grocery items. These are valued at lower of cost and current replacement cost. Cost is determined on first in first out (FIFO) basis. Cost comprises of the purchase cost and other related costs incurred in bringing the inventory to their present location and condition. Donated inventory are carried at a valuation equivalent to the cost, which would have been incurred in bringing such inventories to their present location and condition had these inventories being purchased.

### **4.5 Accrued and other liabilities**

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

### **4.6 Deferred grant**

Donations received in cash are recognized as income over the periods necessary to match them with the related costs or on a systematic basis. Donations for purchase of property and equipment and donation received in kind are taken to deferred grant. Funding for property, plant and equipment to be utilised are deferred and amortised over the estimated useful lives of assets.

#### **4.7 Revenue recognition**

Income from Donation, Zakat, and Inpatients (other than restricted donation) are recognized as income as and when received or when the amount to be received can be reasonably estimated and ultimate collection is reasonably assured. Amount received from Inpatients for the next financial period is treated as advance income and recognized as income in the year it pertains to.

Donations in kind are recognized at fair value determined at the time when the donations are received. Donations restricted in its use by the donors are utilized for the purpose specified.

Income on bank deposits and term deposits are recognized at effective yield on time proportion basis.

Gains / losses arising on sale of investments are included in the statement of income and expenditure in the period in which they arise.

#### **4.8 Provisions**

Provisions are recognized in the statement of financial position when the Institute has legal or constructive obligation as a result of past events and it is probable that out flow of economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. However, provisions are reviewed at each date of financial position and adjusted to reflect current best estimate.

#### **4.9 Cash and cash equivalents**

Cash and cash equivalents comprise cash in hand and balances in bank and short-term liquid investments with original maturities of three months or less.

#### **4.10 General fund**

General fund is the accumulated fund earned from surplus of income over expenditure. This fund is retained for use in the Institute's operational activities.

#### **4.11 Restricted funds**

Funds received for specific purposes are classified as restricted funds with separate accounting records being maintained for each fund.

Restricted funds representing donations and other related income and cost recoveries are classified as restricted funds. Expenses incurred out of restricted funds are reflected in the income and expenditure account. Funds utilized for capital expenditure are transferred to deferred capital grant account, with an amount of equal charge for depreciation on assets so purchased being transferred to deferred capital grants.

#### **4.12 Endowment fund**

Endowment fund represents surplus set aside by the Institute for meeting unforeseen expenses. The interest earned on this fund is transferred to the General fund through statement of income and expenditure.

#### **4.13 Taxation**

The Institute's income is taxable under the provisions of the Income Tax Ordinance, 2001 (the Ordinance), however, the Institute, being a charitable organization, is also entitled to a tax credit equal to one hundred percent of the tax payable under the Ordinance, in view of provisions contained in section 100C of the Ordinance.

#### **4.14 Contingent liability**

A contingent liability is disclosed when the Institute has a possible obligation as a result of past events, whose existence will be confirmed only by occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of the Institute; or the Institute has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

#### **4.15 Allocation of expenses**

Expenses are allocated between operating and administrative expenses based on the percentages according to the respective nature of expenses as duly approved by the Board of Directors.

#### **4.16 Contribution receivable**

Contribution receivables are recognised initially at the amount of consideration that is unconditional and measured at amortised cost.

5 PROPERTY AND EQUIPMENT

Operating assets  
Work in progress

Note	2023	2022
	Rs.	Rs.
5.1	53,228,061	35,519,789
5.2	16,075,946	10,847,067
	69,304,007	46,366,856

5.1 Operating assets

Particulars	Note	2023		2022		Rate					
		Cost as at July 01, 2023	Additions during the year	Disposal during the year	Cost as at June 30, 2023		Accumulated depreciation as at July 01, 2022	Depreciation for the year	Disposal	Accumulated depreciation as at June 30, 2023	Written down value as at June 30, 2023
----- (Rupees) -----											
Owned											
Building on leasehold land	5.1.1	16,199,248	17,932,463	-	34,131,711	9,099,235	2,268,410	-	11,367,645	22,764,066	10
Electrical fittings and equipment		9,038,386	844,336	-	9,882,722	3,720,174	1,170,214	-	4,890,388	4,992,334	15
Reverse osmosis plant		2,946,170	-	-	2,946,170	819,502	580,000	-	1,399,502	1,546,668	20
Furniture and fixtures		10,994,590	2,113,561	-	13,108,151	5,011,244	957,901	-	5,969,145	7,139,006	10
General equipment		3,030,388	2,079,125	-	5,109,513	1,848,478	682,620	-	2,531,098	2,578,615	15
IT equipment		10,570,348	439,175	-	11,009,523	6,354,880	1,984,600	-	8,330,488	2,670,043	33
Vehicles		9,892,175	-	-	9,892,175	298,203	1,978,437	-	2,276,640	7,615,535	20
<b>Right of use assets</b>											
Generator		-	1,400,000	-	1,400,000	-	256,666	-	256,666	1,143,334	20
Building		-	3,847,098	-	3,847,098	-	1,068,638	-	1,068,638	2,778,660	33
<b>Total Rupees - 2023</b>		<b>62,671,505</b>	<b>28,655,758</b>	<b>-</b>	<b>91,327,263</b>	<b>27,151,716</b>	<b>10,947,486</b>	<b>-</b>	<b>38,099,202</b>	<b>53,228,061</b>	

Particulars	Note	2021		2022		Rate					
		Cost as at July 01, 2021	Additions during the year	Disposal during the year	Cost as at June 30, 2022		Accumulated depreciation as at July 01, 2021	Depreciation for the year	Disposal	Accumulated depreciation as at June 30, 2022	Written down value as at June 30, 2022
----- (Rupees) -----											
Owned											
Building on leasehold land	5.1.1	10,356,005	5,843,243	-	16,199,248	8,582,555	516,680	-	9,099,235	7,100,013	10
Electrical fittings and equipment		5,230,913	3,807,473	-	9,038,386	2,873,423	846,751	-	3,720,174	5,318,212	15
Reverse osmosis plant		4,146,170	-	(1,200,000)	2,946,170	1,439,501	580,000	-	8,119,502	2,126,668	20
Furniture and fixtures		5,831,228	5,163,362	-	10,994,590	4,529,295	481,949	-	5,011,244	5,983,346	10
General equipment		2,735,389	3,012,660	(6,061)	3,030,388	1,473,262	381,276	(6,060)	1,848,478	1,182,110	15
IT equipment		6,152,310	4,418,038	-	10,570,348	5,415,088	939,792	-	6,354,880	4,215,468	33
Vehicles		-	9,892,175	-	9,892,175	298,203	298,203	-	298,203	9,595,972	20
<b>Right of use assets</b>											
Vehicle		2,340,275	84,266	(2,424,541)	-	1,248,147	275,841	(1,523,988)	-	-	20
<b>Total Rupees - 2022</b>		<b>36,792,290</b>	<b>29,509,817</b>	<b>(3,630,622)</b>	<b>62,671,505</b>	<b>25,561,271</b>	<b>4,320,492</b>	<b>(2,720,047)</b>	<b>27,151,716</b>	<b>35,519,789</b>	

5.1.1 This represents cost incurred by the Institute on building situated at Plot No.14 - A, Kemanai, Karachi, leased by Karachi Port Trust (KPT) to the Institute for a period of 25 Years. The lease is renewable after expiry of that period as per Joint Venture Agreement between the two parties. In case of any deviation of any conditions mentioned in Joint Venture Agreement, KPT shall reserve the right to cancel the Joint Venture Agreement and take possession of land and building without any compensation to the Institute.

5.1.2 The additions during the year include additions amounting to Rs. 18.91 million (2022: Rs. 11.3 million) attributed to the contributed fixed assets donated to the Institute.



		2023	2022
	Note	------(Rupees)-----	
<b>5.1.3 Allocation of Depreciation</b>			
Operating expenses	20	10,290,637	4,061,262
Administrative and general expenses	21	656,849	259,230
		<u>10,947,486</u>	<u>4,320,492</u>
<b>5.2 Capital work in progress</b>			
Balance at July 01, 2022		10,847,067	285,000
Additions	5.2.1	26,671,101	10,562,067
Transfer to property and equipment		(21,442,222)	-
Balance at June 30, 2023		<u>16,075,946</u>	<u>10,847,067</u>
5.2.1 The capital work in progress pertain to renovation of facade, female ward roof and lift at KPT location.			
<b>6 LONG TERM INVESTMENTS</b>			
Special saving certificates	6.1	-	39,300,000
6.1 Rate of return on these certificates is Nil (2022: 11% to 11.8% per annum).			
<b>7 INVENTORY</b>			
Balance as at July 01		4,887,512	6,837,450
Purchased		19,083,184	14,175,850
Donated - received in kind		14,616,374	749,640
		<u>38,587,070</u>	<u>21,762,940</u>
Consumed	20	(19,413,684)	(16,875,428)
Balance as at June 30		<u>19,173,386</u>	<u>4,887,512</u>
<b>8 ADVANCES AND PREPAYMENTS</b>			
Advance to staff		-	81,387
Prepaid insurance		1,441,655	1,133,222
Advance rent		280,917	50,000
Prepaid fee and subscription		114,277	248,600
Other advances		2,009,616	1,375,049
		<u>3,846,465</u>	<u>2,888,258</u>

	Note	2023 ------(Rupees)-----	2022
<b>9 SHORT-TERM INVESTMENTS</b>			
Term deposit receipts	9.1	<u>128,000,000</u>	<u>57,000,000</u>
9.1	These represents term deposits carrying mark-up rates ranging from 18% to 19.5% per annum (2022: 4.25% to 11% per annum) having maturity ranging from one month to one year (2022: one month to one year)		
<b>10 CASH AND BANK BALANCES</b>			
Cash in hand		237,147	282,142
Cash at bank			
Current account		5,413,485	9,923,516
Savings account	10.1	<u>2,897,313</u>	<u>31,401,232</u>
		<u>8,547,945</u>	<u>41,606,890</u>
10.1	These savings accounts carry profit rates ranging from 10% to 12.5% (2022: 6.5% to 9.5%) per annum.		
<b>11 LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE</b>			
Generator	11.1	1,045,154	-
Building	11.2	<u>3,017,593</u>	-
		4,062,747	-
Current		<u>(1,591,053)</u>	-
		<u>2,471,694</u>	-
11.1	The represent finance lease entered into with vendor for 65KVA generator for the period of three years. The periodic lease payments include rate of markup @ 17.12% per annum. The Institute has the right to purchase the generator at the end of lease term. The Institute's obligation under the arrangement is secured by the lessors' title to the leased assets.		
11.2	This represent leases entered into during the year with landlord in respect of office building at Korangi Karachi for the period of three years. The periodic lease payments include rate of markup @ 16.21% per annum.		

	2023		2022	
	Minimum Lease Payment	Present Value	Minimum Lease Payment	Present Value
Not later than one year	2,290,000	1,591,053	-	-
Later than one year and not later than five years	2,823,600	2,471,694	-	-
	5,113,600	4,062,747	-	-
Less: Future finance charges	(1,050,853)	-	-	-
Present value of minimum lease payments	4,062,747	4,062,747	-	-
Less: Current portion of finance lease	(1,591,053)	(1,591,053)	-	-
	2,471,694	2,471,694	-	-

	2023	2022
	----- (Rupees) -----	
<b>12 ACCRUED AND OTHER LIABILITIES</b>		
Accrued expenses	1,976,207	2,418,221
Withholding tax payable	905,497	500,826
Creditors	8,646,894	6,929,422
Contribution payable to Employees' Old-Age Benefits Institution (EOBI)	1,677,270	1,321,495
Other payables	1,061,374	1,790,261
	<u>14,267,242</u>	<u>12,960,226</u>
<b>13 DEFERRED GRANT</b>		
Deferred grant for property and equipment	9,547,294	22,595,713
Receipt from donor - restricted	72,237,671	42,157,903
	<u>81,784,965</u>	<u>64,753,616</u>
<b>14 CONTINGENCIES AND COMMITMENTS</b>		
There are no contingency and commitments of the Institute as at June 30, 2023 (2022: Nil).		
<b>15 DONATIONS</b>		
From domestic sources:		
Donations from corporates	7,796,515	21,920,000
Donations from other NGO's	-	229,040
Donations from individuals	20,494,723	14,852,178
Donations in kind	12,822,498	7,988,605
	<u>41,113,736</u>	<u>44,989,823</u>

		2023	2022
	Note	------(Rupees)-----	
<b>16 ZAKAT</b>			
Zakat from domestic resources		<u>53,759,911</u>	<u>52,592,231</u>
<b>17 RECEIPTS FROM PATIENTS</b>			
Consultation fee		2,408,234	2,540,518
Day care unit		1,098,435	1,199,866
Medicine		13,674,367	8,814,616
Receipt from in-patient		87,670,079	68,489,955
Registration fee		<u>48,300</u>	<u>30,625</u>
		<u>104,899,415</u>	<u>81,075,580</u>
<b>18 GRANT INCOME</b>			
Grant income		<u>14,549,506</u>	<u>11,319,678</u>
<b>19 OTHER INCOME</b>			
Profit on sale of fixed asset		-	2,023,945
Canteen income		2,046,788	929,548
Miscellaneous income		278,721	887,591
Tender / registration fee / renewal registration fee		34,000	120,000
Members fee		55,000	34,500
Income from World Mental Health Day conference - net		30,000	-
Workshop income		-	54,967
		<u>2,444,509</u>	<u>4,050,551</u>
<b>20 OPERATING EXPENSE</b>			
Salaries, wages and other benefits	20.1	81,876,596	74,366,494
Medicine consumed	7	19,214,997	16,875,428
Fee and subscription		4,702,040	3,882,294
Patient food		18,009,396	13,157,866
Marketing and advertisement		7,792,110	6,340,226
Travelling and conveyance		4,047,799	2,926,782
Utilities		10,005,916	8,485,472
IT services		1,597,212	474,229
Security services		3,991,928	3,010,430

	Note	2023	2022
		----- (Rupees) -----	
Printing, stationery and postage		1,731,410	1,112,391
Repair and maintenance		2,932,423	2,883,867
Consumables		4,153,037	12,265,114
Internet charges		568,196	723,947
Laundry		2,204,584	1,595,031
Uniform		1,201,010	889,700
Day care and rehabilitation		122,554	114,644
Education and training		17,379	11,491
Depreciation	5.1.3	10,290,637	4,061,262
Bank charges		182,730	70,105
Insurance		2,284,364	2,106,522
Rent, rates and taxes		1,147,978	2,566,393
Other expenses		3,077,875	2,758,586
Doctor's incentive consultancy		9,414,604	5,381,859
		<u>190,566,775</u>	<u>166,060,133</u>

20.1 Salaries and wages include Rs. 2.324 million (2022: Rs. 2.345 million) in respect of staff provident fund.

## 21 ADMINISTRATIVE AND GENERAL EXPENSES

Salaries, wages and other benefits	21.1	19,001,271	17,229,501
Fee and subscription		143,212	118,245
Utilities		638,676	541,626
Printing, stationery and postage		432,852	278,098
Repair and maintenance		187,176	184,077
Depreciation	5.1.3	656,849	259,230
Travelling and conveyance		1,011,950	731,695
Auditor's remuneration	21.2	464,882	410,000
Insurance		145,810	134,459
Rent, rates and taxes		11,596	25,923
IT services		47,917	14,227
Security services		119,758	90,313
Internet charges		142,049	180,986
Members meeting expenses		67,944	-
Bank charges		641,181	245,991
Other expenses		855,433	114,349
Finance cost		665,649	155,387
		<u>25,234,205</u>	<u>20,714,107</u>

- 21.1 Salaries and wages include Rs. 0.546 million (2022: Rs. 0.550 million) in respect of staff provident fund.

2023                      2022  
----- (Rupees) -----

## 21.2 Auditor's Remuneration

Audit fee	400,000	345,118
Out of pocket	34,512	34,512
Sindh sales tax	30,370	30,370
	464,882	410,000
	464,882	410,000

## 22 REMUNERATION OF CHIEF EXECUTIVE AND OTHER EXECUTIVES

The aggregate amounts charged in the financial statements for remuneration, including all benefits to the Chief Executive Officer and other Executives of the Institute are as follows:

	2023			2022		
	Chief Executive Officer	Executives	Total	Chief Executive Officer	Executives	Total
Salary and other allowances	7,750,000	9,626,490	17,376,490	7,492,865	5,217,232	12,710,097
Number of persons	1	3		1	2	

- 22.1 Directors of the Institute have not charged salary / meeting fee during the year ended June 30, 2023 (2022 : Same)

## 23 RELATED PARTY TRANSACTIONS

Related parties of the Institute comprise key management personnel. The transactions with related parties are in the normal course of business at agreed terms. Detail of transactions with related parties, other than those disclosed elsewhere in the financial statements, during the year are as follows:

Membership fee received from directors	55,000	34,500
	55,000	34,500

## 24 PROVIDENT FUND

Investments out of provident fund have been made in accordance with the provisions of Section 218 of the Companies Act, 2017 and Rules formulated for this purpose.

## 25 FINANCIAL INSTRUMENTS RELATED DISCLOSURES

### 25.1 FINANCIAL INSTRUMENTS BY CATEGORY

	2023	2022
	----- (Rupees) -----	
<b>Assets</b>		
Financial assets measured at amortised cost		
Long-term investments	-	39,300,000
Contribution receivable	8,552,232	11,707,293
Short-term investments	128,000,000	57,000,000
Interest accrued on investments	1,282,191	2,650,515
Bank balances	8,547,945	41,606,890
<b>Total Assets</b>	<u>146,382,368</u>	<u>152,264,698</u>
<b>Liabilities</b>		
Financial liabilities measured at amortised cost		
Accrued and other liabilities	<u>13,361,745</u>	<u>12,459,400</u>

### 25.2 Financial risk management

The Institute's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk. The Institute's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Institute's financial performance.

Risk management is carried out by the management under policies approved by the Board of Directors.

### 25.3 Credit risk

Credit risk represents the risk of financial loss that would be recognized at the reporting date if counter parties failed to perform as contracted. The Institute's credit risk is primarily attributable to its investments, bank balances, accrued markup and contribution receivables. The Institute's policy is to enter into contracts with reputable counter parties in accordance with the policies approved by the Board of Directors.

#### Exposure to credit risk

The maximum exposure to credit risk before any credit enhancements as at June 30, 2023 is the carrying amount of the financial assets as set out below:

	2023	2022
	------(Rupees)-----	
Nature of financial assets		
Long-term investments	-	39,300,000
Contribution receivable	8,552,232	11,707,293
Short-term investment	128,000,000	57,000,000
Interest accrued on investments	1,282,191	2,650,515
Bank balances	8,310,798	41,324,748
	<u>146,145,221</u>	<u>151,982,556</u>

The aging of contribution receivables at the reporting date is:

0-29 days later	3,388,985	9,233,104
30-59 days later	1,250,042	1,478,494
60-89 days later	555,343	450,000
90-179 days later	83,335	-
180 days or more	3,274,527	545,695
	<u>8,552,232</u>	<u>11,707,293</u>

Credit risk is minimum as bank accounts and investments are maintained with reputable banks with good credit ratings. The credit rating of counterparty with external credit ratings is as follows:

	Rating		Rating Agency	Rs 2023
	Short term	Long		
<b>Investment</b>				
United Bank Limited	A1+	AAA	JCR-VIS	128,000,000
<b>Cash and bank balances</b>				
United Bank Limited	A1+	AAA	JCR-VIS	5,413,485
Allied Bank Limited	A1+	AAA	PACRA	722,928
Dubai Bank Limited	A1+	AA	JCR-VIS	89,432
Meezan Bank Limited	A1+	AAA	JCR-VIS	1,898,892
MCB Bank Limited	A1+	AAA	PACRA	186,061
				<u>8,310,798</u>



	Rating		Rating Agency	Rs 2022
	Short term	Long		
<b>Investment</b>				
United Bank Limited	A1+	AAA	JCR-VIS	24,000,000
Dubai Bank Limited	A1+	AA	JCR-VIS	22,000,000
MCB Bank Limited	A1+	AAA	PACRA	11,000,000
				<u>57,000,000</u>
<b>Cash and bank balances</b>				
United Bank Limited	A1+	AAA	JCR-VIS	9,923,516
Allied Bank Limited	A1+	AAA	PACRA	373,854
Dubai Bank Limited	A1+	AA	JCR-VIS	956,222
Meezan Bank Limited	A1+	AAA	JCR-VIS	26,283,530
Muslim Commercial Bank Li	A1+	AAA	PACRA	3,787,626
				<u>41,324,748</u>

## 25.4 Liquidity risk

Liquidity risk is the risk that the Institute will encounter difficulty in meeting its financial obligations as they fall due. Liquidity risk arises because of the possibility that the Institute could be required to pay its liabilities earlier than expected or difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. The Institute's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stress conditions, without incurring unacceptable losses or risking damage to the Institute's reputation. The following are the contractual maturities of financial liabilities, including interest payments and excluding the impact of netting agreements:

Carrying Amount	Contractual Cash Flows	Six months or less	Six to Twelve months	One to two years	Two to five years	Over five years
------(Rupees)-----						
Accrued and other liabilities	14,267,242	14,267,242	14,267,242	-	-	-
Lease liabilities	4,062,747	1,250,000	300,000	300,000	650,000	-
<b>Total - 2023</b>	<b>18,329,989</b>	<b>15,517,242</b>	<b>14,567,242</b>	<b>300,000</b>	<b>650,000</b>	<b>-</b>
<b>Total - 2022</b>	<b>12,960,226</b>	<b>12,960,226</b>	<b>12,960,226</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 25.5 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest / markup rates and other prices will affect the Institute's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. As at the reporting date the institute is not exposed to any other price risk.

## 25.6 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Majority of the interest rate exposure arises from investment and saving account. As at the reporting date the interest rate profile of the Institute's interest-bearing financial instruments is as follows:

Variable rate instt	Effective rate (In percent)	2023 Rupees	2022 Rupees
Saving Account	10% to 12.5%	2,897,313	31,401,232
Short term Investments	18% to 19.5%	128,000,000	57,000,000
Long term Investments	-	-	39,300,000
		<u>130,897,313</u>	<u>127,701,232</u>

### Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have (decreased) / increased surplus for the year by the amounts shown below.

	100 bps increase	100 bps decrease
Cash flow sensitivity -		
Variable rate financial assets (Rupees) - 2023	<u>1,308,973</u>	<u>(1,308,973)</u>
Variable rate financial assets (Rupees) - 2022	<u>1,277,012</u>	<u>(1,277,012)</u>

The sensitivity analysis prepared is not necessarily indicative of the effects on surplus for the year and assets / liabilities of the Institute.

## 25.7 Currency risk

Currency risk is the risk that the value of financial asset or a liability will fluctuate due to a change in foreign exchange rates.

The Institute is not exposed to currency risks as it has no transaction in foreign currency.

## 26 DETERMINATION OF FAIR VALUES

Fair values of financial and non financial assets and liabilities are determined for measurement and/or disclosure on the basis of accounting policies disclosed in the financial statements. At reporting date, carrying amount of the Institute's financial assets and liabilities are reasonable approximation of their fair value. Accordingly, no fair value information has been disclosed in these financial statements.

## 27 FUNDS MANAGEMENT

The Board of Directors of the Institute monitors the performance along with the fund required for the sustainable operations and the Institute is not subject to externally imposed fund requirements.

## 28 NUMBER OF EMPLOYEES

	2023	2022
At the year end:		
Operational	126	107
Head office	17	22
Total	<u>143</u>	<u>129</u>
Average number of employees during the year	<u>136</u>	<u>145</u>

## 29 CORRESPONDING FIGURES

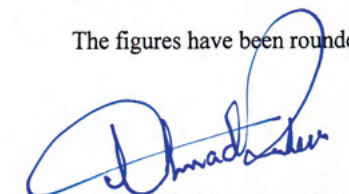
Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and for better presentation. However, no significant reclassification has been made during the year.

## 30 DATE OF AUTHORIZATION OF FINANCIAL STATEMENTS

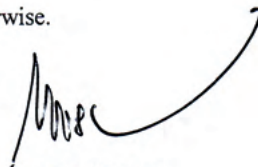
These financial statements were authorized for issue by the Board of Directors on 07 OCT 2023.

## 31 GENERAL

The figures have been rounded off to the nearest Rupee, unless stated otherwise.



CHIEF EXECUTIVE OFFICER



DIRECTOR

# MEMBERSHIPS / CERTIFICATIONS

Karwan-e-Hayat, Institute for Mental Health Care is registered under section 42 of the Companies Act 2017. It has tax-deductible status under section 2(36) of the Income Tax Act 2001 and has certified ISO 45001:2018, 14001:2015 and 9001:2015 status. The institution is fully Shariah-compliant and is verified by Pakistan Centre for Philanthropy (PCP).





## DONATION / ZAKAT PLEDGE FORM

### CONTACT INFORMATION:

Name: .....

Address: .....

City: ..... Province: ..... Postal Code: .....

Phone #: ..... Cell #: ..... E-Mail: .....

### DONATION / ZAKAT PLEDGE INFORMATION:

Amount: Rs. ....  Donation  Zakat

I would like to make a  One-time Donation  Recurring Donation  Pledge

Frequency: (For Recurring Donations and Pledges)  Monthly  Quarterly  Annually

Start Date: ..... End Date: .....

I would like to donate towards ..... (Please select your option)

### HOW YOU CAN DONATE (PAYMENT OPTIONS):

Cheque Enclosed (Payable to Karwan-E-Hayat)

Cheque #: ..... Date: ..... Bank: .....

Amount Rs. .... (Amount in words: .....) )

#### Donation Accounts

**United Bank Ltd.** (Title: KARWAN-E-HAYAT)  
Account no: 162001016135  
IBAN: PK98 UNIL 0112162001016135  
Branch code: 1620  
Sunset Boulevard DHA Branch, Karachi

**Allied Bank Ltd.** (Title: KARWAN-E-HAYAT)  
Account no: 0010010804500014  
IBAN: PK 64 ABPA 0010010804500014  
Branch code: 0414  
Sunset Boulevard Branch, Phase II, DHA, Karachi

#### Zakat Accounts

**Meezan Bank Ltd.** (Title: KARWAN-E-HAYAT)  
Account no: 0102224427  
IBAN: PK44 MEZN 0001050102224427  
Branch code: 0105  
Marriott Hotel Branch

**Dubai Islamic Bank** (Title: KARWAN-E-HAYAT  
INSTITUTE FOR MENTAL HEALTH CARE)  
Account no: 0288385001  
IBAN: PK57 DUIB 0000000288385001  
Branch code: 009  
Clifton Branch, Karachi.



### For USA Donors

Tax Exemption donations can be made to Karwan-e-Hayat via i-Care Fund America Inc. by visiting:  
<https://i-care-foundation.org/charity/karwan-e-hayat/>  
and Click Donate.

Donations through cheque:  
Write a cheque in favor of i-Care Fund America Inc. and write Karwan-e-Hayat on the memo line & your email at the bottom of the check. Deposit in nearest branch of Bank of America (Account # 4636612240) or send to i-Care Fund America Inc. 139 Charles Street, Suite #348, Boston, MA 02114, USA.

For Online  
Donations



#### Head Office

Karwan-e-Hayat, Psychiatric Care and Rehabilitation Center (PCRC), Building No. KV.27 & 28, Adjacent to KPT Hospital, Keamari - Karachi.

#### Korangi Community Psychiatric Center (KCPC)

Sector 35-C, Near PSO Pump & Aga Khan Lab., Korangi 3.5 Karachi.  
Cell: 03000722534 - 03000721534

# Sponsorship and Donation Packages

Sponsor Inpatients	Treatment of 1 Inpatient with Hospitalization, Consultation, Medication, Daycare, Rehabilitation & Meals	<b>Monthly Rs. 100,000</b>
		<b>Annually Rs. 1,200,000</b>
Inpatient Beds	As per requirement	<b>Cost of 1 bed Rs. 24,000</b>
		<b>Total cost of 100 beds Rs. 2,400,000</b>
Bed Sheets	100 bed sheets required every year	<b>Cost of 1 bed sheet Rs. 1,200</b>
		<b>Total cost of 400 bed sheets Rs. 540,000</b>
Mattresses	100 Mattresses required every year	<b>Cost of 1 mattress with rexine cover Rs. 15,000</b>
		<b>Total cost of 100 mattresses Rs. 1,500,000</b>
Patients Admission Pack	100 packs per month which Includes consumable items like toothbrush, toothpaste, soap, towel, tissue, comb etc.	<b>Cost of 1 hygiene pack Rs. 1,500</b>
		<b>Monthly Cost Rs. 150,000</b>
Medicine for Patients	Psychiatric Medicines for OPD and Inpatients	<b>Monthly Cost of 1 Patient Rs. 2,000</b>
		<b>Monthly Cost of 100 Rs. 200,000</b>
Food for Patients (Meals)	1 Patient per day x 3 meals	<b>Cost of food per patient per month Rs. 45,000</b>
		<b>Cost of food per patient per year Rs. 540,000</b>
Patient Clothing	Annual patient clothing for 110 patients	<b>Cost of 4 uniforms per patient per year Rs. 7,200</b>
		<b>Total cost of 440 uniforms per year Rs. 600,000</b>

## Note:

Karwan-e-Hayat is a non-profit organization, registered under section 42 of the Companies Act 2017 and has a tax-deductible status under section 2(36) of the Income Tax Ordinance 2001, read with Rules 212 and 220 of the Income Tax Rules 2002.



Designed & Edited by:  
**Resource Development & Communications Department**



Karwan-e-Hayat, Institute for Mental Health Care  
Psychiatric Care & Rehabilitation Centre (PCRC)  
Building # KV 27 & 28, Adjacent to KPT Hospital,  
Keamari, Karachi



UAN: (021) 111 534 111



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