

Good health
begins with
Mental Health



کاروان حیات
Karwan-e-Hayat
Institute for Mental Health Care

ANNUAL
REPORT
2024



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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



As we reflect on the past year, I am filled with a sense of pride and gratitude for the tremendous efforts put in by the Board and Management of Karwan-e-Hayat (KeH) in steadfastly providing critical mental healthcare, rehabilitation and outreach services to the most vulnerable members of our society.

Our commitment to maintaining Environment, Health & Safety (EHS) protocols remained high during the year, and it is gratifying to note that the facility operations and donor-funded projects were carried out in a safe and injury-free manner.

The team effectively responded to the economic challenges faced during the year. High inflation rates, increased medicine costs and soaring electricity bills resulted in a 38% rise in our expenses compared to the last year.

Despite these headwinds, we witnessed a significant increase in our patient visits which at (more than) 243,000 reflects a year on year increase of 38% and higher occupancy level in the inpatient wards.

Post-Covid, a global mental health crisis has emerged, and Pakistan is equally impacted. In a country where mental health resources are scarce and stigma is prevalent, our institute has remained steadfast in its commitment to serving the marginalized. We have continued to innovate and adapt our services to meet the evolving needs of individuals afflicted with mental illnesses.

We are grateful for the unwavering support of our donors, volunteers, well-wishers and 'Friends of Karwan-e-Hayat', who have enabled us to sustain our operations and expand our reach.

A handwritten signature in black ink, appearing to read 'M. Salim', with a long, sweeping underline that extends to the right.

Mohammad Salim
Chairman

CEO's MESSAGE



The year 2023-24 marked significant growth for Karwan-e-Hayat in our mission to provide quality mental health care to Karachi's underserved communities. With over 243,000 patient visits, we are humbled by the trust placed in us and proud of our dedicated staff who ensure compassionate, dignified treatment for those in need.

Our Community Outreach Program expanded with a new camp, thanks to the support of the Behbud Association, enabling us to reach more individuals in need. We also relocated our Korangi Centre to a state-of-the-art facility at Creek General Hospital, in partnership with United Medical and Dental College, further enhancing our ability to deliver high-quality care.

Collaboration has been key to our success this year, with several new MoUs facilitating the exchange of ideas, research, and training opportunities. Additionally, our corporate wellness sessions promoted mental health awareness in the workplace, empowering both employees and employers to prioritize well-being.

We have also taken a major step by establishing a Quality Management Department to continuously evaluate and improve our programs and services. This department is tasked with systematically evaluating our mental health programs, policies and processes, ensuring that we continue to improve and remain the provider of choice in the field of mental health care.

None of these achievements would be possible without the generosity of our donors. Your support has been vital to expanding our impact, and we look forward to continuing this journey together. With your continued support, we can transform even more lives in the years to come.

A handwritten signature in black ink that reads "Arshad R. Khan". The signature is fluid and cursive, with a horizontal line extending to the right from the end of the name.

Arshad Rahim Khan
CEO

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 (KeH), the values that we subscribe to and strive to inculcate in our medical staff and all caregivers are:

- **Commitment:**

We shall direct all our efforts towards the alleviation of suffering caused by mental illness.

- **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.

- **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, research and psychology.

- **Advancement:**

We shall apply the best clinical and rehabilitative practices to treat our patients.



**Your mental health is
everything – prioritize
it. Make the time like
your life depends on it,
because it does.**

Mel Robbins

ABOUT KARWAN-E-HAYAT

Karwan-e-Hayat (KeH) is a non-profit organization set up for the treatment of mental illness, in Karachi. It was established in 1983 by a group of noteworthy individuals. Among them were Begum Rana Liaquat Ali Khan, Dr. Zafar Qureshi, Begum Abdul Qadir, Dr. Abdul Hussaini, Begum Shaista Ikramullah and the Archbishop of Karachi, Cardinal Joseph Cordeiro. It was their foresight which enabled KeH to provide free psychiatric treatment to neglected and underprivileged people suffering from mental disorders who could not afford the cost of treatment. KeH has tax-deductible status under section 2(36) of the Income Tax Ordinance 2001. It is an ISO-certified mental health facility and is fully Shariah-compliant. It is also certified by the Pakistan Centre for Philanthropy (PCP).

KeH provides Outpatient, Inpatient, Rehabilitation, Tele-Psychiatry and Community Outreach Services through its two facilities in Keamari and Korangi and through 22 Community Outreach camps within the city of Karachi. A team of more than 160 employees work diligently to carry out KeH's mission of providing relief to those suffering from mental disorders.



The operations of the institution are as follows:

- The flagship facility of KeH, known as the Psychiatric Care & Rehabilitation Centre (PCRC) in Keamari, caters to all mental health issues under one roof. It has a 100-bed inpatient facility, a purpose-built OPD block, and it offers comprehensive rehabilitation services. Free consultation and highly subsidized medication are provided at this facility.
- Korangi Community Psychiatric Centre (KCPC) provides community-based psychiatric care through OPD facilitation. Free consultation as well as highly subsidized medications are provided.
- The Community Outreach Program consists of more than 50 monthly medical camps, conducted at 22 different locations across Karachi and its outskirts. These medical camps 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 our facilities.

BOARD OF DIRECTORS



Mohammad Salim (Chairman)

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. With extensive local and international experience from his leadership roles at Tyco Integrated Fire & Security, Engro Chemicals Pakistan, and John Laing International BV, he brings a wealth of expertise as Chairman. A mechanical engineering graduate from NED University, his skill set spans access control, account management, alarm systems, business development, and building management systems, making him a dynamic force in his field.



Yacooob Suttar (Vice Chairman)

A fellow member of the Institute of Chartered Accountants and International Federation of Accountants and the Institute of Cost and Management Accountants of Pakistan. He has over 30 years of related financial experience locally and internationally, having previously worked in Saudi Arabia as Finance Controller of a large Saudi company. Within Pakistan he worked for 17 years with Engro Chemicals in various capacities. He has also served as the Chief Executive Officer, Director/Managing Director at Asia Petroleum Ltd., Chief Financial Officer and Deputy Managing Director at Pakistan State Oil Co. Ltd., Non-Executive Director at Pakistan Refinery Ltd., and President of the Institute of Chartered Accountants of Pakistan for the term 2014-15. He also served as the Board member of the International Federation of Accountants from 2017 to 2023 and is currently a member of the Finance and Audit committee of Indus Hospital.



Ali Ahmed Khan

President of Friesland Campina - Middle East, Pakistan & Africa with over 30 years of experience, holding top management roles in leading FMCG companies in Pakistan and abroad. He has a proven track record of business turnarounds and success, having served as CEO of Reckitt Benckiser Pakistan and Iffco Personal Care UAE. He also played a key role in the success of Pakistan Tobacco Company and Pepsi Cola International as part of their management teams.



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 relations matters.



Qaisra Ahmed

A senior social worker with experience in organizing fund-raising events. She volunteered at the SOS Children's Village in Lahore, helping to set up the first SOS school. She also worked with The Citizens Foundation in Islamabad to raise funds.



Talaat Naeem Tyabji

A marketing and public affairs veteran with over 40 years of experience in communications and publications. Served as Director, Marketing and Public Affairs at The Aga Khan University Hospital for 29 years, 7 years in the Pakistan Tourism Development Corporation and 3 years in Asiatic Advertising Ltd.



Dr. Ayesha Irshad Mian

An experienced PMDC certified Psychiatrist, former Head of Psychiatry at Aga Khan Hospital and currently the founder and CEO at Synapse.



Dr. Aamir Jafarey

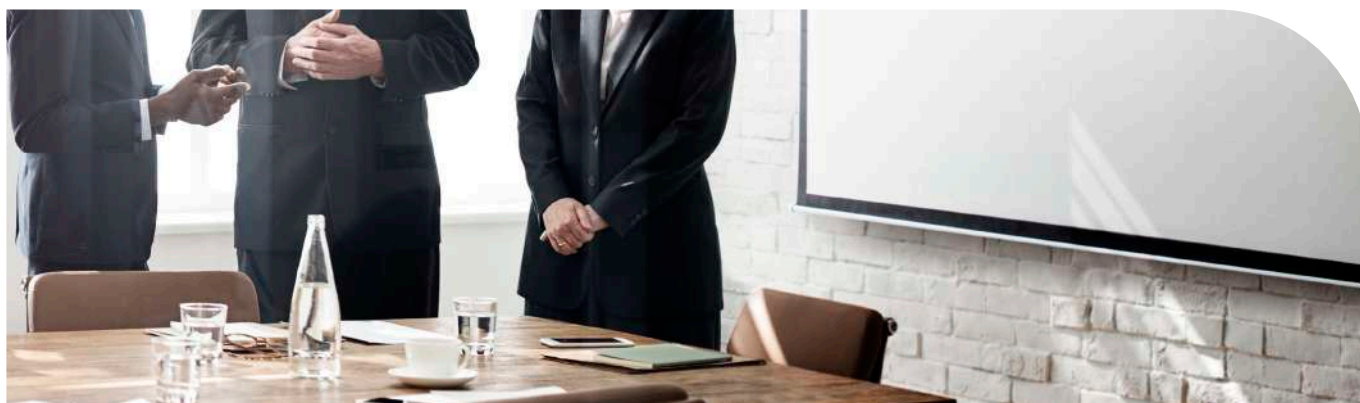
A general surgeon and Professor of Bioethics at the Centre of Biomedical Ethics and Culture, Sindh Institute of Urology and Transplantation (SIUT), Karachi.



Aamar Hassan

A veteran of over 25 years of management experience in the pharmaceutical, healthcare and human resource consulting sectors in Pakistan. He holds top management roles in leading human resource management and consulting companies where he has specialized in organizational restructuring, talent acquisition, reward strategies and management of large transnational workforces. He is also the founder of The Fields Sports & Conservation Society, working towards conservation of wildlife and its habitat in Pakistan.

ADVISORY BOARD



Justice (Rtd.) Mr. M. Shaiq Usmani

Retired Judge, Sindh High Court

Kamran Y. Mirza

Former Managing Director of Abbott Pakistan,
Former Chairman, KeH

Saleemuddin Ahmed

Former Director of Shell Pakistan, Former President
and Chairman, KeH

Rehana Alam

Former Director, Karwan-e-Hayat

Akbar Usmani

(Rtd.) Senior Advisor, United Nations Development
Program (UNDP)

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

CORPORATE GOVERNANCE



AUDIT COMMITTEE

Mr. Yacoob Suttar
(Chairman)

Ms. Talaat Naeem Tyabji
(Member)

Mr. Faisal Mahmood Ghani
(Member)

Mr. Muhammad Ali Asghar
(Secretary)

FUND RAISING AND AWARENESS COMMITTEE

Mr. Faisal Mahmood Ghani
(Convener)

Mr. Ali Ahmed Khan
(Member)

Mrs. Qaisra Ahmed
(Member)

Ms. Talaat Naeem Tyabji
(Member)

Mr. Yacoob Suttar
(Member)

Mr. Aamar Hassan
(Member)

Dr. Ayesha Irshad Mian
(Member)

Dr. Aamir Jafarey
(Member)

Mr. Faisal Zahid
(Secretary)

HUMAN RESOURCE COMMITTEE

Mr. Aamar Hassan
(Convener)

Mr. Ali Ahmed Khan
(Member)

Mr. Yacoob Suttar
(Member)

Ms. Misbha Bashir
(Secretary)

MEDICAL AND ETHICS COMMITTEE

Dr. Ayesha Irshad Mian
(Co-Convener, Medical)

Dr. Aamir Jafarey
(Co-Convener, Research & Ethics)

Ms. Talaat Naeem Tyabji
(Member)

Mrs. Qaisra Ahmed
(Member)

Dr. Uroosa Talib
(Secretary)

**Mental health...is not a
destination, but a process.
It's about how you drive,
not where you're going.**

Noam Shpancer

CORPORATE TEAM



Arshad Rahim Khan
Chief Executive Officer



M. Ali Asghar
Chief Financial Officer and
Company Secretary



Faisal Zahid
General Manager, Resource
Development, Communication
and Grants



Misbha Bashir
Manager, Human Resources



Dr. Muhammad Ashfaque
Manager, Community Outreach
Services



Nasir Mehmood
Manager, Research



Shabana Irfan
In-charge, Patient Welfare



Salman Khan
Assistant Manager, Purchase



Dr. Uroosa Talib
Chief Medical Officer and
Consultant Psychiatrist



Dr. Minhaj Qidwai
Consultant and Head of Quality
Management



Jawaid Shah
Manager, Grants



Christopher Vaz
Manager, Resource
Development and
Communication



Yasirah Gohar
In-charge, Rehabilitation



M. Ali Burhan Badar
Assistant Manager, Finance



Rizwan Ameer
Marketing Coordinator &
Graphic Designer

MENTAL WELLNESS MANAGEMENT



1. Psychiatric Consultation:

Diagnosis of the illness is the first important step in treating mental conditions like Schizophrenia, Bipolar disorder, Mood and Anxiety disorders, Attention Deficit Hyperactivity Disorder (ADHD), Autism, Borderline personality disorder, Depression, Dissociative disorders, Eating disorders, Obsessive Compulsive Disorder (OCD), and Post-Traumatic Stress Disorder (PTSD).

Psychiatric diagnosis reveals potential sources of problems like inherited conditions, hormonal imbalance, physical illness, poor nutrition, stress, childhood trauma, relationship problems and cultural issues. Once the illness is diagnosed, the psychiatrist will prescribe appropriate medication.

2. Psychological Assessment:

To identify why a patient is experiencing psychological discomfort, our psychologists conduct various tests, including aptitude, learning disability and skill tests for dexterity, reaction time and memory. These assessments help diagnose conditions and identify issues such as anger management problems, interpersonal skill deficits, personality traits, anxiety, or depression.

This comprehensive evaluation allows our psychologists to determine the best treatment approach to address and manage mental health issues effectively.

3. Psychiatric Rehabilitation:

KeH specializes in psychiatric rehabilitation. This is what distinguishes us from other mental health care providers. Our day treatment program includes individual psychotherapy, group therapies, family therapies, counseling, and case management, operating six days a week. The goal is to reintegrate patients and help them become functional members of society.



4. Day Care Services:

KeH offers structured day care services for patients with long-term mental disorders. All inpatients are enrolled in the program which is also available to outpatients. The program includes recreational and skill development activities, as well as physical training to help reduce psychiatric symptoms.

Our psychiatric rehabilitation day care program runs five days a week, from 9:30am to 3:30pm for both inpatients and outpatients, and on Saturdays for inpatients only. Patients relearn skills of daily living as well as vocational skills. Some become eligible for sheltered employment within KeH.

Day care activities include:

- Arts and crafts
- Beautician courses
- Yoga and physical exercise
- Library sessions
- Music training
- Cooking classes
- Computer training
- Gardening
- Stitching classes
- Movie sessions

5. Occupational Therapy:

Occupational therapists (OTs) play a key role in the recovery of mentally ill patients. KeH aims to achieve complete functional recovery by tailoring therapy to each patient's mental illness and promoting their ability to interact and function effectively.

In order to help patients to engage with each other, our OTs conduct psychoeducational sessions for both inpatients and outpatients with treatment plans.



They focus on key areas such as:

- Self-care
- Relaxation and stress reduction
- Coping strategies
- Emotion regulation
- Symptom management
- Instrumental activities of daily living (IADLs)
- Mobility or family re-entry
- Social skills and communication

6. Community Outreach:

This is the treatment of choice for the mentally unstable patients in a community setting.

KeH's Community Outreach Program brings mental health care directly to patients, eliminating the need for them to visit clinics or hospitals. This service is crucial for impoverished mentally ill patients who are unable to reach our two main centres.

We provide screening and treatment at their doorsteps, ensuring treatment adherence and potentially preventing the need for inpatient care.

Our free community outreach camps are conducted weekly or fortnightly at 22 locations throughout Karachi.

7. Tele-psychiatry:

KeH provides delivery of psychiatric assessment and care through telecommunications technology, usually video conferencing.

Stigma often prevents individuals from seeking mental health care, but tele-psychiatry makes it accessible by



connecting patients with psychiatrists through digital platforms. This allows remote assessments and care without hospital visits.

Quality mental health services are available anywhere with internet access, without the need to travel to our KeH clinics.

8. Neurological Consultation:

This includes diagnosis, management and treatment of conditions that effect the nervous system.

Neurologists at KeH conduct an initial diagnosis, discuss the recommended tests and give medication. They also suggest available therapies to reduce symptoms.

PSYCHIATRIC REHABILITATION SERVICES



KeH's Psychiatric Rehabilitation Program began as a collaborative effort between Karwan-e-Hayat and Rutgers University, USA in 2007. Based on evidence-based practices, it is the blueprint of our psychiatric rehabilitation services.

The program follows a structured three-step recovery process for both inpatients and outpatients, focusing on symptom management, daily living skills, and vocational training. Some patients even participate in community service projects, allowing them to test their skills and adaptability after receiving initial training at the hospital. Ultimately, the program's mission is to empower patients to achieve functional recovery and reclaim their independence.

Day Care/Rehabilitation Program

KeH's Day Care/Rehabilitation Program offers a range of therapeutic groups to aid in the recovery process:

- **Clinical Group Therapies:** Patients are active participants in their recovery, engaging in self-management and illness management strategies.
- **Leisure and Lifestyle Groups:** Through occupational therapy-based activities, patients enhance their hand-eye coordination and engage in meaningful tasks, fostering independence and social integration.
- **Skill-Building Groups:** These groups focus on helping patients regain essential social skills, improve communication, regulate emotions, and manage behaviors disrupted by their illness.

- **Outpatient Clinics/Psychological Services:** This component offers crucial counseling and psychotherapy to prevent relapses and addresses psychological crises. Services include tele-counseling, family psychoeducation, psychological assessments, and individual/group interventions.

Key Features of the Psychiatric Rehabilitation Program

KeH services are based on evidence-based practices which ensure the most effective rehabilitation for psychiatric patients:

- **Illness Management and Recovery:** This initiative empowers patients to understand, accept and manage their mental illness effectively, resulting in fewer relapses, improved symptom control, and consistent medication adherence.
- **Case Management:** Specifically designed for patients with severe mental illness, case management ensures coordinated treatment, rehabilitation, and support services, ultimately preventing re-hospitalization and enhancing overall patient functioning.
- **Family Psycho-Education:** This method, built on a partnership between families, patients, and professionals, equips caregivers with the knowledge and skills to support their loved ones with mental illness when they return home.
- **Wellness Recovery Action Plan (WRAP):** A self-guided prevention and wellness plan that empowers individuals to overcome mental health challenges and achieve their personal goals.

• **Sheltered Employment:** In the last stage of recovery, patients are offered job opportunities within KeH's protected environment, focusing on skill-building and training.

Group-Analytical Psychotherapy for Psychosis

In partnership with Compassion Couch, a psychiatric practice based in Karachi, this group therapy initiative fosters a supportive environment where patients can rebuild their confidence and well-being through positive engagement.

Volunteer Program

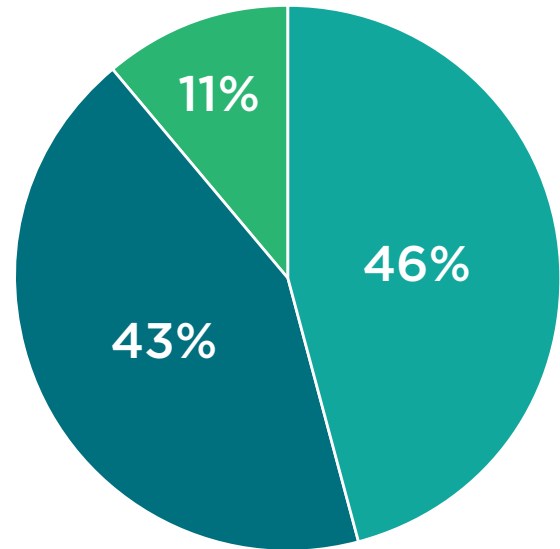
KeH's Volunteer Program is driven by the passion and dedication of students from various educational backgrounds. These volunteers commit their time to help in both clinical and administrative departments, making a significant impact on patient care and hospital outcomes. To date, over 100 volunteers from institutions such as the Centre for Advanced Studies (CAS), Nixor College, Commeccs College, and Bahria College have participated in this program.

Clinical Rotation / Student Internship Program

KeH is not just a leader in psychiatric treatment and rehabilitation, it is also emerging as a provider of mental health education. Through the Clinical Rotation/Student Internship Program, students from various disciplines gain valuable experience in the treatment of psychiatric disorders. This program, open to final-year students specializing in psychology and related fields, provides hands-on learning opportunities that are useful for professional development. Over 400 students from esteemed institutions like The Aga Khan University Hospital, Bahria University and Ziauddin University have completed their rotations or internships at KeH, benefiting both their future careers and the broader community.

PSYCHIATRIC REHABILITATION ANNUAL STATISTICS 2023-24

Day Care and Ward Rehabilitation Activities 2023-24



- Clinical
- Skill-Building
- Leisure and Lifestyle



FARHANA'S JOURNEY TO EMPOWERMENT

In the depths of despair, Farhana* emerged as a symbol of resilience, breaking free from the shackles of her traumatic past to embrace a life full of purpose and happiness. The transformative impact of mental health care on the lives of suffering individuals is highlighted in her story.

Farhana, a 45-year-old woman with a Bachelor's degree, carried the heavy burden of childhood abuse for years. Despite enduring overwhelming trauma, she persevered and completed her studies, though a constant undercurrent of depression threatened to engulf her. Her parents arranged a marriage in the hope of bringing solace, but the weight of her suppressed terror prevented her from fully accepting her husband and caring for their child. Sadly, her first marriage ended in divorce, leaving her even more shattered.

Returning to her mother's house, Farhana found herself trapped in a cycle of depression and anxiety. Her distressing circumstances led her parents to arrange a second marriage, but her inner turmoil persisted, hindering her ability to give and receive love. This marriage, too, ended in divorce, further deepening her depression and burdening her with the stigma of mental illness and two failed marriages.

During this dark period, Farhana's path intersected with KeH. Admitted into their care, she embarked on a transformative journey of healing and restoration. The dedicated team at KeH wasted no time in initiating her treatment and introducing her to their comprehensive rehabilitation program.

For Farhana, the realization that her feelings of depression were treatable at KeH was a revelation. Through therapy and medication, she began to understand her illness and equipping herself with the tools necessary to navigate her path towards recovery. Embracing the vocational training provided by KeH, she discovered a new interest and embarked on a career as a beautician.

The impact of KeH's unwavering support on Farhana's life cannot be overstated. No longer trapped in the depths of despair, she now has a newfound sense of happiness and fulfillment. She has become a productive member of society, earning her living through her chosen profession.

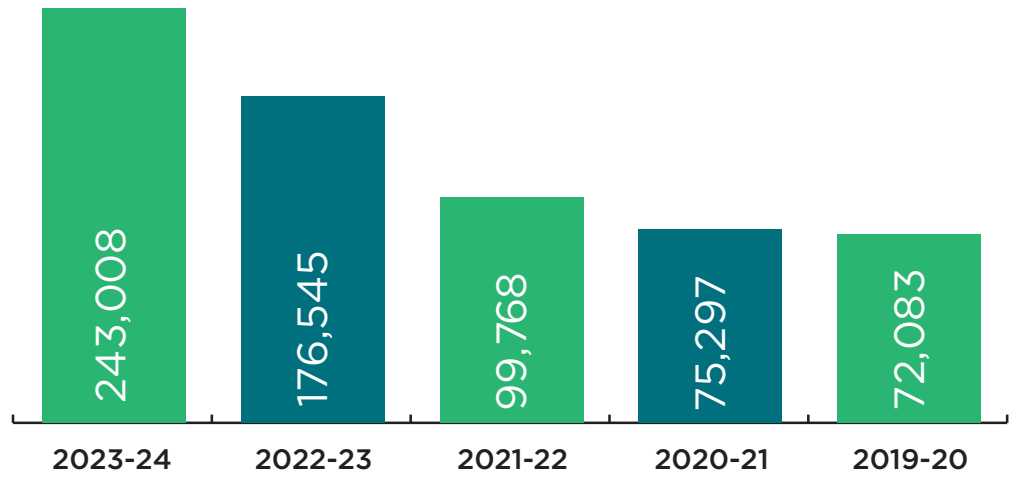
Farhana's remarkable journey of healing and empowerment stands as a testament to the triumph of the human spirit. It gives us some valuable insights. In a compassionate and supportive environment, therapy and medication, when combined with vocational training, can open doors of opportunity for individuals grappling with mental health challenges. The holistic approach embraced by KeH addresses not only the mental well-being but also the practical needs and aspirations of the patients treated here. Farhana's story serves as an inspiration to others, a reminder that even in the face of adversity, there is hope, and with the right support, anyone can find a path to a brighter, more fulfilling future.

**name changed to protect identity*

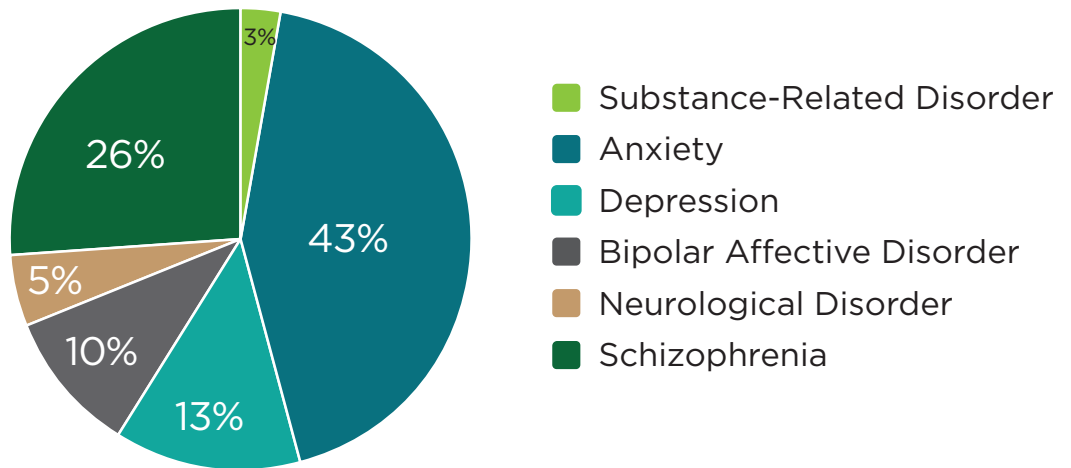


PATIENT STATISTICS (JULY 2023 – JUNE 2024)

Patient Visits

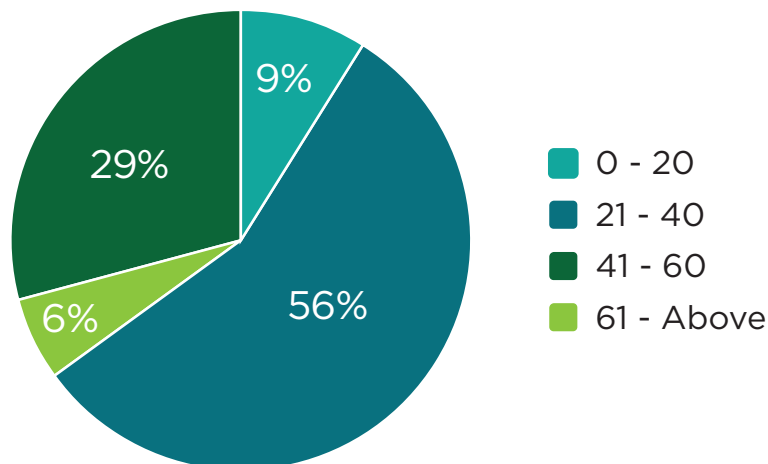


Diagnosis



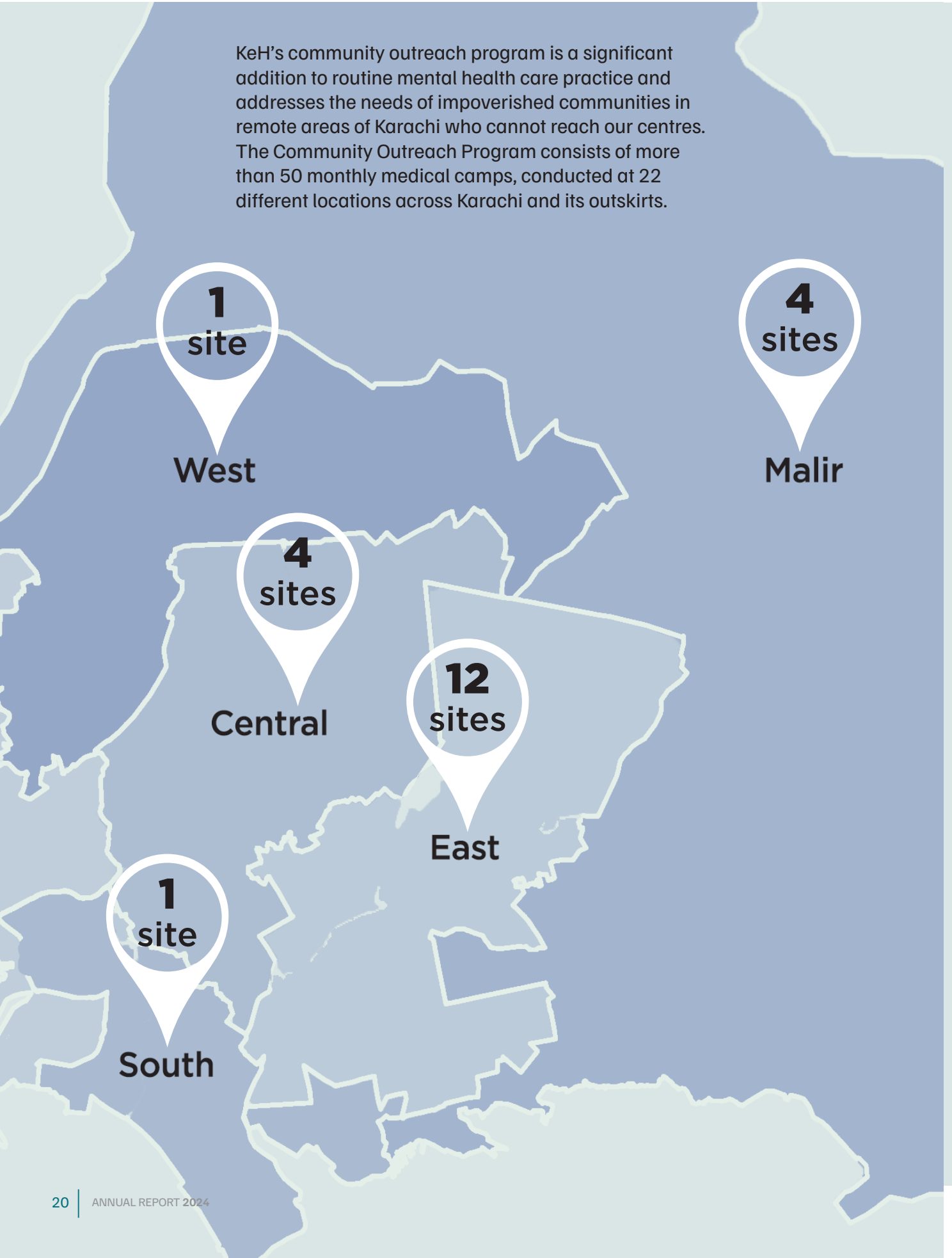
Demographics

85% of patients are between the ages of 21 and 60



COMMUNITY OUTREACH PROGRAM

KeH's community outreach program is a significant addition to routine mental health care practice and addresses the needs of impoverished communities in remote areas of Karachi who cannot reach our centres. The Community Outreach Program consists of more than 50 monthly medical camps, conducted at 22 different locations across Karachi and its outskirts.



LOCATIONS OF COMMUNITY OUTREACH CAMPS

KeH operates at the following locations through its community outreach program:



S#	Camp Name	Camps per month	District
1	Karachi X Ray Nazimabad	4	Karachi Central
2	Govt Urban Health Center Gohrabad F. B. Area	2	Karachi Central
3	Hussain Lakhani Hospital, North Nazimabad	2	Karachi Central
4	Kausar Lab (New Karachi)	2	Karachi Central
5	Dawam Consultant Clinic 13-D	2	Karachi East
6	Sindh Govt Hospital , Korangi no 1.5	2	Karachi East
7	Al Mustufa Trust Medical Center Korangi	2	Karachi East
8	Cantonment Dispensary, Korangi Crossing	2	Karachi East
9	V Serve U Welfare (Shifa-e-Haram Medical Centre)	2	Karachi East
10	Govt SESSI Dispensary Korangi	2	Karachi East
11	Seha Medical Center Mehmoodabad	2	Karachi East
12	ZMT Clinic Gulshan-e-Iqbal	2	Karachi East
13	ZMT Clinic Sachal Goth	2	Karachi East
14	ZMT Clinic Shanti Nagar	2	Karachi East
15	ZMT Clinic Shah Faisal	2	Karachi East
16	Behbud Association	2	Karachi South
17	Sindh Govt. Qatar Hospital, Orangi Town	4	Karachi West
18	SINA Clinic Ghaghar Phattak	4	Malir District
19	Saleh Mohd Goth, Bin Qasim Town	2	Malir District
20	Kohi Goth Bin Qasim Town	2	Malir District
21	Razzaqabad Sindhi Library Bin Qasim	2	Malir District
22	Saylani International Welfare Trust Bahadurabad OPD Only (no Medicine)	4	Karachi East

COMMUNITY OUTREACH PROGRAM

KeH's community outreach program is a significant addition to routine mental health care practice and addresses the needs of impoverished communities in remote areas of Karachi who cannot reach our centres. The Community Outreach Program consists of more than 50 monthly medical camps, conducted at 22 different locations across Karachi and its outskirts.

	ZMT Gulshan-e-Iqbal	ZMT Sachal Goth	ZMT Shah Faisal	ZMT Shanti Nagar	Karachi X-Ray Nazimabad	Dawam Clinic Gulshan-e-Iqbal 13-D	SESSI Dispensary Korangli 3:5	North Karachi Camp	SINA Clinic Ghoghar Phattak	Hussain Lakhani Hospital Nazimabad	
Community Activities	Community Activity From July 2023 to June 2024										
Awareness Sessions Conducted	47	46	49	47	83	38	52	63	149	53	
Male	100	0	40	0	1628	690	574	1468	1486	906	
Female	747	712	814	665	867	392	508	866	2070	436	
Total Participants	847	712	854	665	2495	1082	1082	2334	3556	1342	
Camp Organized	26	26	25	26	52	26	26	26	51	26	
Total Patient Visits	1835	1391	1258	745	2174	965	1831	1245	2405	624	
Male	440	334	465	117	1420	569	844	662	984	325	
Female	1395	1057	793	628	754	396	987	583	1421	299	
New Patient Registered	261	219	181	96	181	80	122	71	242	73	
Follow up Patient	1574	1172	1077	649	1993	885	1709	1174	2163	551	
Medication	1835	1390	1254	745	2173	965	1830	1242	2404	624	
Home Visit	18	0	0	0	98	49	66	90	185	41	
Patients Counseled in Camps	117	76	60	50	140	56	54	93	110	56	
New Patient 1st Time Counsel	71	48	27	33	64	30	28	31	56	20	
Follow up Patient Counsel	46	28	33	17	76	26	26	62	54	36	
Home Visit	18	0	0	0	98	49	64	90	185	41	
Total Call Services	1584	1116	1011	754	1994	913	1615	1103	2077	657	
Diagnosis / Pathology Detail											
Depression	559	446	307	315	320	206	392	203	525	74	
Anxiety	682	576	488	211	716	513	746	117	722	248	
OCD	15	1	48	2	49	12	36	16	0	19	
BAD	182	225	194	74	379	62	185	188	744	93	
Schizoaffective Disorder	397	142	217	143	707	172	471	721	413	190	
Other Psychiatric	0	1	4	0	3	0	1	0	1	0	
Refer Patient PCRC for Admission	0	0	2	0	0	0	2	0	0	1	

(JULY 2023 TO JUNE 2024)



	Al Mustafa Trust Korangi 2.5	Seha Medical Center Mehmoodabad	Cantonment Dispensary Korangi	Govt Qatar Hospital Orangi	Urban Health Center	V Serve U Welfare, Teen Hatti	Govt. Hospital Korangi # 1.5	Saleh Mohd Goth	Kohi Goth	Razzaqabad	Saylani Trust Bahadurabad	Behbud Association Clifton	Total
Community Activity From July 2023 to June 2024													
	57	53	80	141	103	38	44	40	52	53	0	9	1297
	1252	123	891	2638	1466	597	640	460	718	536	0	103	16316
	1584	692	919	2936	1265	354	586	279	573	614	0	93	17972
	2836	815	1810	5574	2731	951	1226	739	1291	1150	0	196	34288
	26	25	25	53	35	25	13	17	17	20	38	4	608
	2040	966	974	7333	1369	693	334	450	843	793	841	74	31183
	896	367	509	3400	634	389	129	260	405	336	832	32	14349
	1144	599	465	3933	735	304	205	190	438	457	9	42	16834
	334	99	157	567	184	71	153	52	59	74	318	49	3643
	1706	867	817	6766	1185	622	181	398	784	719	523	25	27540
	2040	963	974	7333	1362	693	328	417	843	793	0	72	30280
	32	21	74	168	100	43	52	77	86	101	0	0	1301
	73	50	55	131	70	59	26	32	33	45	0	17	1403
	48	23	28	81	41	27	15	12	17	25	0	11	736
	25	27	27	50	29	32	11	20	16	20	0	6	667
	32	21	74	168	100	43	52	77	86	101	0	0	1299
	1758	749	864	3261	1313	678	218	480	647	687	0	11	23490
	411	222	266	2048	296	154	86	108	141	239	91	16	7425
	667	453	357	1757	664	183	179	160	189	226	178	45	10077
	59	1	0	101	5	0	3	11	0	11	0	3	392
	321	197	98	1693	74	131	17	103	244	247	253	3	5707
	582	90	253	1734	321	225	42	63	269	70	315	4	7541
	0	3	0	0	9	0	7	5	0	0	4	3	41
	0	1	0	0	0	2	0	0	0	0	39	0	47

REPORT OF THE AUDIT COMMITTEE

The Audit Committee is composed of non-executive directors and professional members, ensuring independence and expertise. The CEO, CFO and External Auditor are invited to attend the Audit Committee meetings. The Committee operates in accordance with Terms of Reference (TORs) approved by the Board of Directors. During the fiscal year ending 30 June 2024, the Committee convened five times as scheduled by the Chairman of the Board Audit Committee (BAC).

Role and Responsibilities of the Committee

The Audit Committee's role and responsibilities are outlined in detailed TORs, which are reviewed annually to reflect current legislation and best practices. Key responsibilities include:

- **Oversight of Financial Integrity:** Ensuring the accuracy and reliability of the Institution's Financial Statements. This involves reviewing quarterly and annual financial reports, ensuring clarity and completeness of disclosures, and addressing related-party transactions before recommending them for Board approval.
- **Risk Management and Internal Controls:** Monitoring the effectiveness of risk management strategies and internal control systems to safeguard KeH's assets and ensure operational efficiency.
- **Compliance:** Overseeing adherence to legal and regulatory requirements to ensure that operations comply with relevant laws.
- **External Auditors:** Evaluating the performance, objectivity, and independence of the external auditors. This includes approving non-audit services, recommending the appointment or reappointment of auditors, and ensuring their work aligns with KeH's needs.
- **Accounting Records:** Verifying that proper accounting records are maintained in accordance with the Companies Ordinance, 1984/Companies Act, 2017, and that external reporting is consistent with management processes.
- **Internal Audit Performance:** Assessing the effectiveness of the Internal Audit Function in meeting its operational, compliance, and financial reporting objectives.

Internal Audit Function

- The Internal Audit Function is carried out by Grant Thornton Anjum Rahman Chartered Accountants, an independent firm that reports directly to the Chairman of the Audit Committee.
- This firm conducts internal audits according to an audit plan approved by the Audit Committee. Follow-up audits are also performed to ensure actions have been taken on previous findings.
- Grant Thornton Anjum Rahman Chartered Accountants has direct access to the Chairman of the Audit Committee for discussing significant issues and obtaining guidance, ensuring that the audit tasks are performed professionally and thoroughly.
- The Audit Committee ensures that internal controls and risk management processes are effective, contributing to the protection of the organization's assets and achievement of its objectives.

External Audit

- The external audit for the year ending June 30, 2024 was conducted by BDO Ebrahim and Co. Chartered Accountants.
- The Audit Committee reviewed and discussed the auditors' report, assessing the quality and thoroughness of the audit.
- BDO Ebrahim and Co. received a satisfactory rating in the Quality Control Review programs conducted by the Institute of Chartered Accountants of Pakistan (ICAP). The firm complies with the International Federation of Accountants (IFAC) Guidelines on the Code of Ethics, as adopted by ICAP.
- Both KeH and BDO Ebrahim and Co. have implemented safeguards to ensure the external auditors' objectivity and independence are maintained, minimizing any potential conflicts of interest.

CODE OF CONDUCT AND GOVERNANCE POLICIES

At KeH, our Code of Conduct and Governance Policies form the institution of all our operations, setting clear standards of behavior for all employees, including senior management and directors. Non-adherence to these policies can result in strict disciplinary action. The Code of Conduct and Governance Policies have been approved by the Board of Directors.

Whistle-Blowing Policy

KeH implemented a Whistle-Blowing Policy to provide a secure and confidential way for employees to report any violations of the Code of Conduct and Governance Policies. It outlines the procedures for lodging, handling, and reporting concerns while ensuring the protection of the whistle-blower's identity.

Employees

To foster a culture of openness and free expression, KeH offers several platforms for employees to provide valuable suggestions and feedback to the management and Board. Feedback and complaint forms are available upon request, and drop-boxes are placed at prominent locations within the Keamari and Korangi centers. These tools are easily accessible to all employees, allowing them to share their feedback, concerns, and recommendations directly with the management.

Managing Conflict of Interest

In compliance with the provisions of the Companies Act, 2017, every Director at KeH is required to disclose any material transaction that could lead to a conflict of interest with the organization to the Board for prior approval. Directors with a conflict of interest do not participate in discussions or voting on such matters. All transactions with related parties are conducted on an arm's-length basis, with full disclosure provided to the Board for their approval. Furthermore, all related-party transactions are transparently disclosed in the organization's Financial Statements.

Quality Control Measures

A Quality Management Department was formed in March 2024. The department upholds accountability, transparency, and organizational learning by systematically evaluating mental health programs, policies, aimed at implementing Total Quality Management at KeH. The focus of the department is to ensure the quality of patient care and treatment, through regular assessments and evaluations. The results of these assessments are shared with the management for future planning.

A major responsibility of the department is to develop organization wide policies to enforce quality control:

- Development of a control document to streamline all policies as the initial step.
- Encouraging and gearing all departments to take the initiative and start developing their basic policies.

Media

KeH engages with the media through press releases and other communications as needed to inform the public and stakeholders about our initiatives and achievements.

Other Stakeholders

KeH regularly engages with other stakeholders, including donors, financial institutions, suppliers, and employees, through meetings and various forms of correspondence to maintain strong, collaborative relationships.

**Make self-care a priority by
engaging in activities that bring
you joy and relaxation.**

ROLE OF THE CHAIRMAN AND CEO

Chairman

The primary role of the Chairman of the Board is to lead and manage the Board of Directors, ensuring it effectively fulfills its responsibilities. The Chairman's duties include:

- Acting as a link between the company's senior management and the Board.
- Ensuring the Board effectively contributes to shaping the company's corporate strategy and business direction.
- Promoting and upholding the highest standards of corporate governance within the Board and the company.
- Ensuring that Board members are trustworthy, credible, and actively involved in key company matters.
- Ensuring the Board focuses on guiding the company rather than managing day-to-day operations.
- Making sure that the Board receives relevant, accurate, and up-to-date information from management to monitor performance, make informed decisions, and provide sound advice for the company's success.
- Reviewing the Board's performance, identifying individual and collective development needs, and enhancing its overall effectiveness as a team.
- Managing and resolving conflicts among Board members, while ensuring that everyone's opinions are freely expressed.
- Promoting the highest moral, ethical, and professional values, and ensuring good governance throughout the company.

CEO

The CEO is responsible for turning the Board's strategy into action. This role involves overseeing all daily management decisions and ensuring the company's short-term and long-term goals are achieved. The main responsibilities of the CEO include:

- Developing strategies with the executive team to implement decisions made by the Board and its Committees.
- Keeping an open line of communication with the Chairman and ensuring the Board is informed about all significant company matters.
- Acting in the best interest of the company, driving its growth, and meeting or exceeding the performance targets set by the Board.
- Overseeing the execution of the company's financial and operational plans in line with its business strategy. Identifying opportunities for diversification and investment and recommending them to the Board for approval.
- Ensuring all strategic and operational risks are effectively managed and that strong internal controls are in place for major operational and financial areas.
- Developing Key Performance Indicators (KPIs) for the company, getting them approved by the Board, and making sure they are communicated throughout the organization as performance standards at both individual and team levels.
- Representing the company in communications with shareholders, employees, government authorities, other stakeholders, and the public.
- Promoting the highest moral, ethical, and professional values, and ensuring good governance throughout the company.

HSE: HEALTH, SAFETY AND ENVIRONMENT

Health, Safety, and Environment (HSE) are at the heart of KeH's commitment towards the well-being of our patients, caregivers, and visitors. Our dedicated HSE unit operates with precision, ensuring that safety and environmental stewardship are integral to every aspect of our work. At KeH, we take pride in our unwavering commitment to environmentally-conscious practices, recognizing the importance of protecting both people and the planet.

Since the Covid-19 pandemic, KeH has heightened its focus on health and safety, driving us to adopt the motto 'Safety First' in all its endeavors. Our Administration and HSE team have established a clear hierarchy of responsibilities, empowering every employee to actively contribute to HSE objectives. By assigning specific roles across departments, we create a culture of shared responsibility, where everyone is engaged in maintaining a safe and secure environment.



Our 'Safety First' commitment includes the following key measures:

Personal Protection Standards:

We have developed and implemented comprehensive guidelines for working safely in various conditions, such as at heights, in the rain, and on construction sites. These guidelines are prominently displayed across our premises. Additionally, KeH provides quality safety kits to our operational and maintenance teams, ensuring they are well-equipped to perform their duties safely.

Safe Use of Chemicals for Fumigation:

To ensure effective and safe fumigation, KeH employs approved chemicals in a meticulously defined process. Our staff is equipped with Personal Protective Equipment (PPE) and undergoes specialized training to familiarize them with the Material Safety Data Sheet (MSDS), ensuring their safety during pest control operations.

Training and Awareness Sessions:

KeH regularly organizes both in-house and external training sessions for our administrative and medical staff. These sessions are designed to enhance safety knowledge and skills. This is reinforced through refresher courses throughout the year.

Infection Prevention and Control:

The Infection Control team is dedicated to preventing and managing infections through tailored strategies. Key responsibilities include assessing isolation techniques, conducting regular audits for compliance with hygiene protocols, and identifying staff learning needs. The team coordinates with nurses and conducts training sessions that are specific to psychiatric care. They assist in outbreak investigations, collect and report data on hospital-acquired infections, and monitor device-associated infections. Additional tasks include post-exposure followup, waste management, vaccination record maintenance, and participation in infection control committees. The goal is to maintain a safe environment for both patients and staff.

Canteen and Food Safety:

We place the utmost importance on the purity and hygiene of the food provided to our patients. The HSE team conducts regular inspections focused on food safety, health, and hygiene. Our dedicated Food Committee oversees these efforts, ensuring that every meal served at KeH meets the highest standards of quality and safety.

At KeH, safety is not just a policy—it's a culture. We are committed to creating an environment where safety is paramount, and where every individual plays a vital role in achieving the HSE goals.



ACHIEVEMENTS FOR THE YEAR (JULY 2023 – JUNE 2024)

KeH is pleased to announce that it has received the following:

- Recognition for fire safety implementation according to “Building Code of Pakistan”, awarded by Fire Protection Association of Pakistan in January 2024.
- Recognition for “Fire Safety & EHS Arrangements”, awarded by Karachi Port Trust in January 2024.
- License renewed by Sindh Food Authority in August 2023 to operate kitchen at KeH based on successful inspection.
- 19 medical staff trainings pertaining to Infection Prevention and Control.
- First Aid Orientation conducted in December 2023 for staff.

Thanks to the diligent implementation of our Health, Safety, and Environment (HSE) protocols, we are pleased to report that no major incident has occurred this year. The precautionary measures and rigorous safety procedures we have adopted have been instrumental in maintaining a secure work environment. Our proactive approach to risk management and continuous monitoring have significantly contributed to this commendable safety record, underscoring our commitment to the well-being of our employees and the integrity of our operations.

QUALITY ASSURANCE & PERFORMANCE IMPROVEMENT

Karwan-e-Hayat's Continuous Quality Improvement and Quality Assurance and Performance Improvement (CQI-QAPI) program ensures high-quality patient care and operational efficiency through systematic assessment, planning, and performance improvement initiatives. The entire leadership at KeH led by designated board members, the management and the operational team, are responsible for overseeing these activities.

The foremost step towards CQI-QAPI is the initiation of a survey for quality performance assessment at all levels. This is followed by the identification of the problems, their solution and development of a Performance Improvement Plan (PIP). PIP identifies specific performance issues, prioritizes them, and devises structured action plans for improvement.

The entire process involves data collection, problem identification and prioritization, root cause analysis, solution development, and implementation on a pilot basis, followed by monitoring and evaluation. The quality cycle of Plan, Study/Check, Do and Act (PSDA/PCDA), forms a continuous loop of improvement ensuring that KeH not only addresses current operational challenges but also drives sustainable quality enhancements across all departments. As per Quality Policy, the focus of CQI-QAPI plan is three fold: improving quality of services, ensuring competency of staff and maintaining high quality physical facility and positive organizational culture, thus implementing Total Quality Management at KeH.

Highlights of Quality Management Department:

- a. Establishment of a Quality Management Committee (QMC) aligning with KeH's mission.
- b. Review of administrative, technical, and food management standards.
- c. Implementation of S.M.A.R.T. objectives to improve existing policies.
- d. Addressing operational issues, including donation management, reviewing the existing MoUs', staff training, and environmental standards.
- e. Development of a Quality Policy for KeH. This policy has laid down three basic focus areas which include:
 - i. Quality Service Delivery
 - ii. Competent Staff
 - iii. Quality Physical Facility and Organizational Culture
- f. Enforcement of Quality Assurance and Performance Improvement Plan.
- g. Development of Terms of Reference for various committees. The QMC's primary goals are to review and enhance patient care, ensure regulatory compliance, and foster continuous improvement.

Achievements:

- a. Resolved 9/14 identified issues, with plans to address the remaining concerns
- b. Installed a Water Density Meter
- c. Maintained fridge temperatures for medicine safety
- d. Implemented monthly fumigation protocols
- e. Established a designated smoking area
- f. Scheduled Infection Prevention and Control (IPC) training for nursing staff
- g. QMD was instrumental in facilitating the development of the Corrective Action and Protective Action Plan towards the gaps identified by the Sindh Healthcare Commission (SHCC). The score of 90% was achieved with the intervention of QMD, leading towards the license from SHCC



EMPOWERING EXCELLENCE THROUGH CONTINUOUS TRAINING

As part of our ongoing commitment to professional growth and improving the quality of care at KeH, the HR department introduced a range of training programs throughout the year. These initiatives aimed at equipping staff with essential skills, ensuring compliance with regulations, and nurturing a positive and inclusive work environment.



Key Training Programs:

Employee Onboarding and Orientation:

A comprehensive onboarding program was developed to help new employees integrate seamlessly into the organization. This included detailed sessions on our mission, vision, ethical guidelines, mental health care protocols, and safety procedures, providing them with a strong foundation for their roles.

Leadership and Management Development:

Designed for mid and senior-level management, this program focused on refining leadership skills through modules on conflict resolution, effective communication, and performance management. The trainings enhanced leadership across departments, ultimately improving patient care and team collaboration.

Diversity, Equity, and Inclusion (DEI) Training:

To foster a more inclusive and supportive workplace, we conducted DEI training sessions, encouraging open discussions around diversity and equity. This initiative helped build a more empathetic and unified team, aligning with our organizational values.

Continuous Quality Improvement (CQI) Training:

In our pursuit of delivering high-quality mental health services, staff participated in CQI training that focused on identifying improvement areas, developing actionable solutions, and implementing changes that enhance patient outcomes.

Staff Well-being and Stress Management:

Recognizing the challenges of working in psychiatric healthcare, the HR department also focused on employee well-being. Training sessions on stress management, work-life balance, and mental health resilience were organized to ensure that our team remains motivated and healthy.

OUR SUPPORTERS & SPONSOR ORGANIZATIONS

 KARACHI PORT TRUST THE GATEWAY TO PAKISTAN	AL Naseer Charitable Trust	 engro foundation	<i>Faisal, Mahmood Ghani & Co.</i> Advocates & Industrial Relations Advisers
Cowasjee Foundation	 Imdad Foundation	 Saylani فانديتو سبيلاني	 Gul Ahmed
 UNHCR The UN Refugee Agency	 CSR TRUST Pakistan State Oil	 HBL Foundation	 National
 Getz pharma	Ebrahim Alibhai Foundation	 Hilton PHARMA	 IFFCO افكو
 Pakistan Kuwait Investment Company (Private) Ltd. الشركة الكويتية للاستثمار الخاصة المحدودة	 Abbott	 Bank Alfalah	 TPL Properties
 Direct Relief	 GAS DEVELOPMENT COMPANY LIMITED	 Millac Foods Together We Grow	 alkaram
 Rotary Club Karachi Continental	 NBP National Bank of Pakistan نيشنل بينك آف پاكستان	 TOYOTA INDUS MOTOR COMPANY LTD.	 LDC. Louis Dreyfus Company
 SIZA Foods Pvt. Ltd. LAKSON GROUP	 Chevron	Regal Textile	 I-CARE FOUNDATION
 alBaraka	 Herbion NATURALS	 ARIF HABIB LIMITED	 INTERNATIONAL STEELS LIMITED
HABIBMETRO	 HBL ASBET MANAGEMENT LTD. ايمبيست منيجمنت ليميتيد	 Robin Hood Army Pakistan	 PPL
 PARCO			

OUR COLLABORATIONS & PARTNERS

MAJOR HAPPENINGS THROUGHOUT THE YEAR

February 24-25, 2024

Annual Fundraiser A Tribute to Nayyara Noor

Over two unforgettable days in February, the KeH family came together to honour the timeless melodies of Nayyara Noor and celebrate the richness of Pakistani culture. But beyond the music and festivities, this annual fund-raiser held a deeper significance. It was a platform to raise vital funds for the treatment and rehabilitation of those battling mental illness. In a world where mental health is more important than ever, coming together to support this cause was truly heartwarming. To our generous sponsors (Chevron Pakistan, NBP, Habib Metropolitan Bank, SIZA Foods, OGDCL and Bank Alfalah) and our supporters, THANK YOU for standing with us in our mission to support mental health initiatives.



March 8, 2024

International Women's Day

KeH hosted a seminar entitled Women's Mental Health at a local hotel, focusing on the theme "Inspire Inclusion." The event highlighted the increased susceptibility of women to mental health disorders, including higher levels of depression and anxiety, exacerbated by domestic violence, stressful events, and the Covid-19 pandemic. Esteemed speakers included Prof. Dr. Unaiza Niaz, the Guest of Honour, along with Prof. Dr. Iqbal Afridi, Prof. Dr. Qudsia Tarique, and Prof. Dr. Nasim Chaudhry. They discussed the challenges women face from an early age, their resilience in overcoming obstacles, and their efforts to navigate societal pressures related to female health.



MAJOR HAPPENINGS THROUGHOUT THE YEAR

September 10, 2023

World Suicide Prevention Day

On September 10, World Suicide Prevention Day, KeH hosted a seminar at a prominent hotel to raise awareness and promote collective action against the growing crisis of suicide. The event featured a distinguished panel of experts, including Dr. Sana Siddiqi, Prof. Dr. Haider Naqvi, Prof. Dr. Qudsia Tarique, and other leading mental health professionals. They shared valuable insights, personal stories, and practical strategies for suicide prevention. Dr. Saad Khalid Niazi, the then Sindh Health Minister, served as the Guest of Honour. He highlighted ongoing efforts to prevent suicides, emphasized the importance of mental wellness, and praised KeH for its vital role in supporting the government's mission to foster understanding and prevent suicide.



October 10, 2023

World Mental Health Day

On October 10, World Mental Health Day, KeH hosted an event at its Keamari facility to promote mental health awareness. The theme, 'Mental health is a universal human right,' underscored the importance of treating mental illness. Experts like Dr. Shahab Muhammad Khan and Dr. Qudsia Tarique shared insights on mental wellness, and a play by IRD Global highlighted inclusivity. Dr. Saad Khalid Niazi, who was then the Sindh Health Minister, was the Guest of Honour. He emphasized the importance of improving mental health care and pledged to help in measuring access and awareness.



MAJOR HAPPENINGS THROUGHOUT THE YEAR



July 6, 2023

MoU with Seylani Welfare International Trust

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



July 14, 2023

MoU with Getz Pharma

Under the terms of this MoU, KeH will conduct quarterly trainings for Getz Pharma's GPs who are practicing in the vicinity of Korangi and Keamari. Moreover, teams from KeH will also conduct awareness sessions for Getz Pharma's employees.



July 16, 2023

MoU with Sahara Public Rights Welfare Organization

Under this MoU, KeH will facilitate patients referred by Sahara Public Rights Welfare Organization through free-of-charge consultations and highly subsidized medications.



August 11, 2023

Independence Day

On the auspicious occasion of the 76th Independence Day of Pakistan, the patients and staff enjoyed a day full of music, games and dancing. Everyone was dressed in the national colours of green and white and displayed zeal and patriotism. There was a strong emphasis on the importance of faith, unity and discipline to make Pakistan great again.

MAJOR HAPPENINGS THROUGHOUT THE YEAR

August 24, 2023

Mental Health Awareness session at Pakistan Petroleum Limited

KeH and Pakistan Petroleum Limited Medical Services Department collaborated to have this session arranged for all PPL employees. More than 250 participants from across Pakistan attended the hybrid session which was physically held at the PPL Head Office in Karachi – more than 50 employees attended in person and another 200 attended online. The theme of the session was mental health at the workplace and managing stress effectively.



September 13, 2023

Mental Health Awareness session at Getz Pharma

KeH, in collaboration with Getz Pharma, hosted a mental health awareness session titled “Hope through Care”, at the Getz Pharma Head Office. The engaging session covered health and wellness, public health issues, wellness benefits, and strategies for well-being and encouraged the employees to self-assess their mental health through the wellness wheel.



November 16, 2023

Mental Health Awareness session at C.A.S School

KeH held a comprehensive session on ‘Cyber Bullying’ at The C.A.S. School. The session covered the importance of being cautious on social media and the risks of online interactions. With over 200 students in attendance, the session fostered an engaging discussion where students shared their personal experiences and perspectives on the effects of cyber bullying. The event successfully raised awareness about the importance of digital safety and responsible online behavior.



November 29, 2023

Mental Health Awareness session for GPs

The session, in collaboration with Getz Pharma, was attended by GPs across Karachi, and focused on identifying and treating mental illness among patients. The session allowed the GPs to understand the mental health gap and how to identify and minimize the negative effects of stress and depression in their patients.



MAJOR HAPPENINGS THROUGHOUT THE YEAR



December 15, 2023

MoU with Bahria University Institute of Professional Psychology

Under this MoU, KeH and Institute of Professional Psychology at Bahria University will promote mutual interests of both the institutions in research and development, education, training and exchange of knowledge.



January 11, 2024

Mental Health Awareness session at PARCO

KeH conducted a mental health awareness session for over 80 employees at PARCO's Corporate Headquarters. The session centered on promoting wellness and mental well-being, with active participation from attendees.



March 13, 2024

MoU with AKU School of Nursing and Midwifery (AKUSONAM)

This MoU will enhance staff development, capacity-building, and the exchange of knowledge between both institutions. AKUSONAM students will gain valuable clinical experience at KeH, participating in therapeutic and occupational therapy activities, while KeH nursing staff will benefit from evidence-based teachings, fostering professional growth and comprehensive patient care.

MAJOR HAPPENINGS THROUGHOUT THE YEAR

March 28, 2024

MoU with United Medical and Dental College

Under the terms of this MoU, there would be a significant advancement in mental health care, focusing on service delivery, expansion, academia, and research. Both institutions will launch joint initiatives, provide vital outpatient psychiatric care in Korangi, and elevate medical education standards for exceptional patient care.



May 7, 2024

MoU with Behbud Association

Under the terms of this MoU, KeH will offer free treatment and awareness sessions to adolescents, adults, and the elderly in underprivileged communities, making mental health care more accessible to everyone.



May 10, 2024

MoU with Inspire Pakistan

KeH and Inspire Pakistan will collaborate to support Afghan refugees with mental health issues. The agreement includes providing psychiatric care to refugees in Karachi and nearby areas, through KeH's community outreach sites.



FIVE YEARS FINANCIAL AND OPERATING INFORMATION



Ratio Analysis					
Operating Results (Rupees)	2020	2021	2022	2023	2024
Donations	40,166,511	43,693,034	44,989,823	41,113,736	47,736,860
Zakat	30,117,087	34,099,951	52,592,231	53,759,911	74,476,673
Income from fund raising event	12,605,925	-	-	-	17,456,722
Receipts from Patients	46,198,285	57,660,857	81,075,580	104,302,335	135,958,464
Grant income	-	13,568,408	11,319,678	14,549,506	26,336,219
Investment income	6,375,921	7,121,432	7,858,776	9,658,773	25,066,808
Other income	1,196,606	921,550	4,050,551	2,444,509	3,088,339
Operating expenses	117,736,821	130,921,150	166,060,133	190,566,774	268,062,813
Administrative expenses	18,308,083	17,967,008	20,714,107	25,234,205	32,721,808
Surplus of income over expenditure for the year	615,431	8,177,074	15,112,399	10,027,790	29,335,464

Financial Position (Rupees)					
Property and equipment	10,533,742	11,516,019	46,366,856	69,304,007	71,727,958
Other Non Current Assets	52,420,049	60,312,225	39,960,049	790,049	722,549
Inventory	6,551,532	6,837,450	4,887,512	19,173,386	12,357,322
Other Current assets	74,728,245	82,654,226	115,852,956	150,228,833	181,345,826
Total Assets	144,233,568	161,319,920	207,067,373	239,496,275	266,153,655
Non Current Liabilities	783,629	516,073	-	63,565,084	60,784,661
Current liabilities	37,385,880	46,562,715	77,713,842	36,549,870	36,652,209
Total Liabilities	38,169,509	47,078,788	77,713,842	100,114,954	97,436,870
Net Assets	106,064,059	114,241,132	129,353,531	139,381,321	168,716,785
General fund	51,064,059	59,241,132	74,353,531	84,381,321	113,716,785
Endowment fund	55,000,000	55,000,000	55,000,000	55,000,000	55,000,000
Total Fund	106,064,059	114,241,132	129,353,531	139,381,321	168,716,785

Expenses Pattern					
Programme costs	67%	65%	69%	65%	65%
Marketing expenses	5%	5%	3%	4%	3%
Other operating expenses	14%	18%	17%	19%	21%
Administrative expenses	13%	12%	11%	12%	11%

Summary of cash flow statements (Rupees)					
Cash and cash equivalents at the beginning of the year	15,759,129	24,138,911	3,347,218	41,606,890	8,547,945
Cash Flows From Operating Activities	(520,684)	13,289,795	47,623,197	17,565,848	28,554,515
Cash Flow From Investing Activities	14,480,930	(33,630,695)	(8,659,324)	(49,440,442)	(25,725,041)
Cash Flow From Financing Activities	419,536	(450,793)	(704,201)	(1,184,351)	(1,336,016)
Cash and cash equivalents at the end of the year	30,138,911	3,347,218	41,606,890	8,547,945	10,041,403

Profitability Ratio					
Net surplus to income	0.45%	5.21%	7.49%	4.44%	8.89%
Total Expenses to total income	99.55%	94.79%	92.51%	95.56%	91.11%
Zakat inflow to total income	22.04%	21.71%	26.05%	23.81%	22.56%
Donation to total income	29.39%	27.82%	22.28%	18.21%	14.46%

Liquidity Ratio					
Current Ratio	2.17	1.92	1.55	4.63	5.28
Quick Ratio	2.00	1.78	1.49	4.11	4.95
Cash to current Liabilities	0.81	0.07	0.54	0.23	0.27
Cssh flow from operations to income	-0.38%	8.46%	23.59%	7.78%	8.65%
Net working capital (Rupees)	43,893,897	42,928,961	43,026,626	132,852,349	157,050,939

Capital Structure					
Net assets (Rupees)	106,064,059	114,241,132	129,353,531	139,381,321	168,716,785

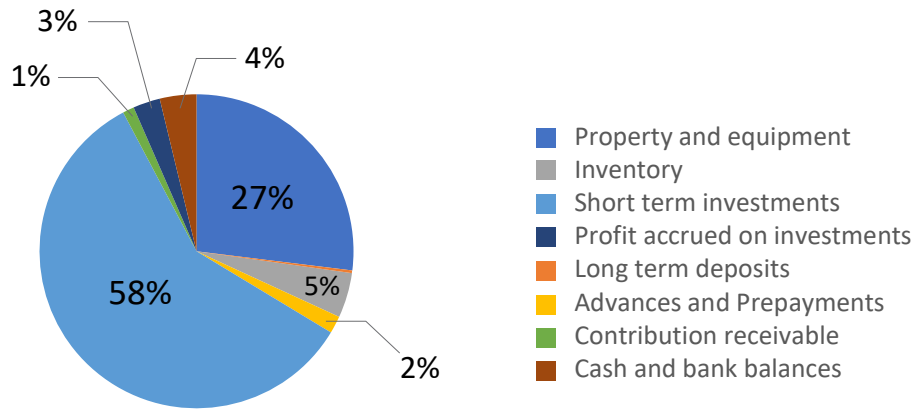
Profitability Ratio

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 through an increase in receipts from patients, donation from domestic resources and Zakat as well. The percentage of total income has increased during the current year, reflecting constant support from our donors and their continued belief in our mission and positive impact of our work.

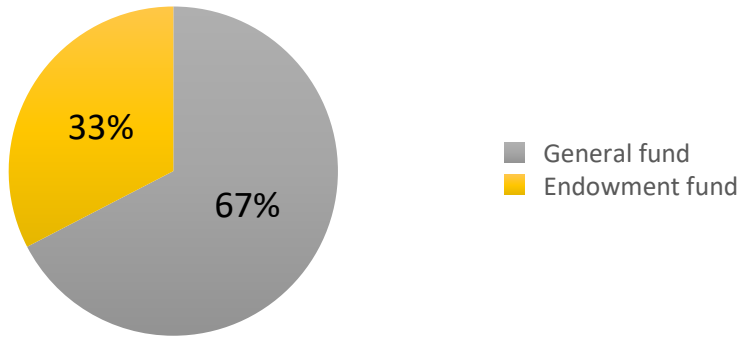
Liquidity Ratios

The liquidity ratio have constantly improved 2022 to 2024, indicating a strengthening ability to cover short-term obligations. The cash to current liabilities ratio has increased in recent year as which is also positive sign. Cashflow from operations to income has also shown improvement during the current year. The net working capital has constantly increased in recent years which reflects the KeH's ability to manage its current assets and liabilities efficiently. Overall liquidity ratios indicate financially stable and improved liquidity position.

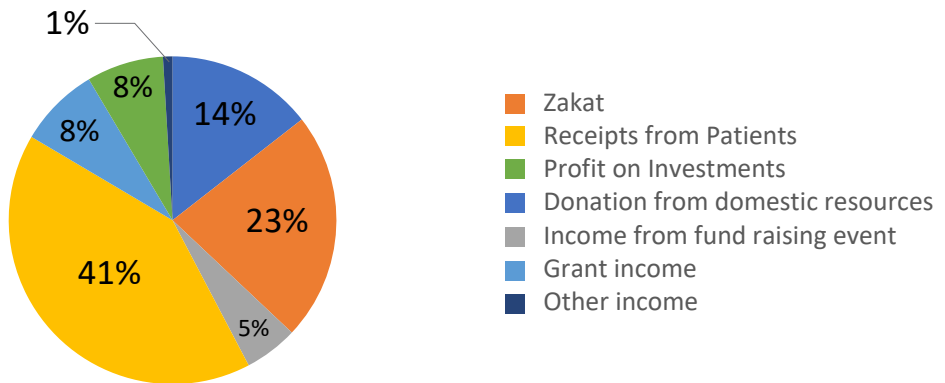
Assets



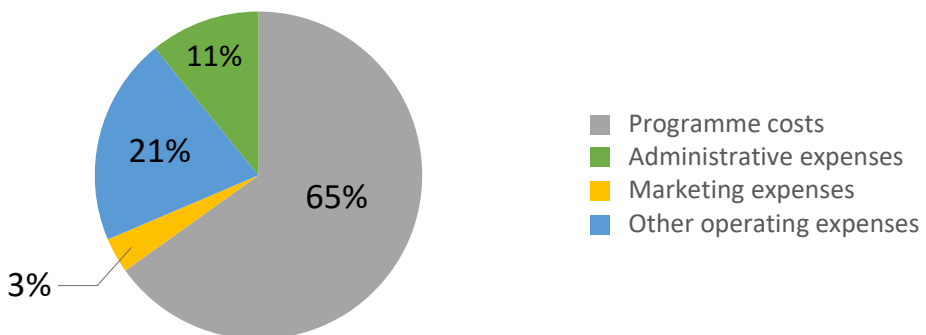
Funds & Reserves



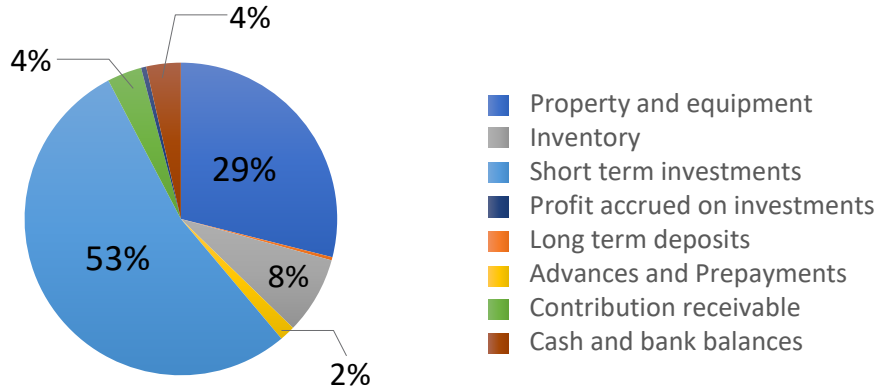
Income



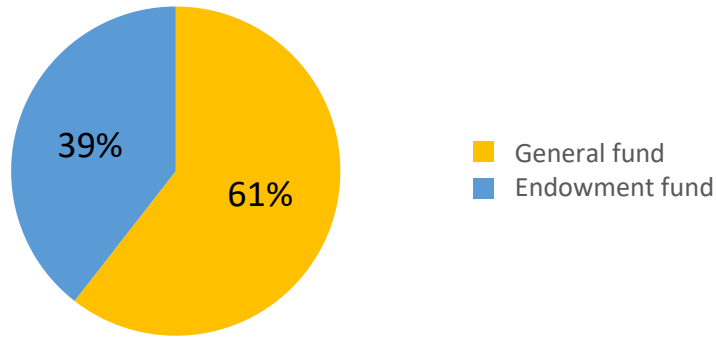
Expenses



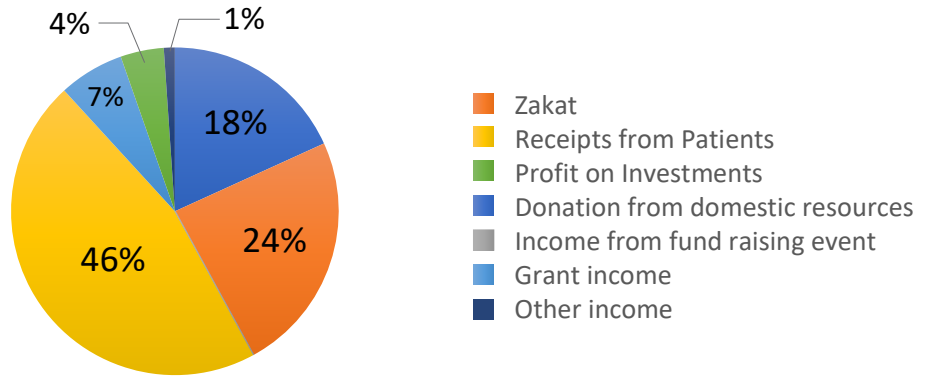
Assets



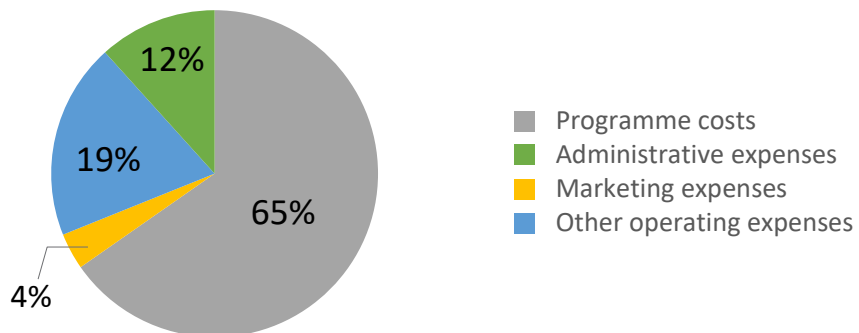
Funds & Reserves



Income



Expenses



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 June 30, 2024.

Principal Activities of Karwan-e-Hayat

KeH 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 22 Community Outreach camps within the city of Karachi.

A team of more than 160 employees work diligently to carry out KeH's mission of providing relief to those suffering from mental ailments.

The operations of the institution are as follows:

- The flagship facility of Karwan-e-Hayat, known as Psychiatric Care & Rehabilitation Centre (PCRC) in Keamari, caters to all mental health issues under one roof. It has a 100-bed inpatient facility, a purpose-built OPD block, and offers comprehensive rehabilitation services. Free consultation and highly subsidized medication is provided at this facility.
- Korangi Community Psychiatric Centre (KCPC) provides community-based psychiatric care through OPD facilitation. Free consultation and highly subsidized medication is provided here as well.
- The Community Outreach Program consists of more than 50 monthly medical camps, conducted at 22 different locations across Karachi and its outskirts. These medical camps 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	2024 (PKR)	2023 (PKR)	Variance (%)
Donations	47,736,860	41,113,736	16
Zakat	74,476,673	53,759,911	39
Fundraising Income	17,456,722	-	
Receipts from patients	135,958,464	104,302,335	30
Grant income	25,146,174	14,549,506	73
Operating Expenditure			
Operating expenses	266,218,379	190,566,775	40
Administrating expenses	32,557,785	25,234,205	29
Total Assets	119,972,600	91,327,263	31
Net Assets	71,489,158	53,228,061	34

Escalating costs due to supply chain issues arising from external influences as well as the current economic situations resulting in a high inflation rate in Pakistan, was the main discerning feature of 2023-24. Major focus of the Institute was to provide improved quality to the patients. Management's efforts to increase Zakat were fruitful this year and that has helped organization extending support to more than 34% increase in the patient's pool this year.

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. Yacoob Suttar – Vice Chairman
3. Mr. Ali Ahmed Khan
4. Ms. Talaat Naeem Tyabji
5. Ms. Qaisra Saleemuddin Ahmed
6. Dr. Aamir Mustafa Jafarey
7. Dr. Ayesha Irshad Miyan
8. Mr. Faisal Mahmood Ghani
9. Mr. Amar Hassan

Chief Executive Officer

Mr. Zaheer Uddin Ahmad*

Mr. Arshad Rahim Khan **

*Outgoing Chief Executive Officer, Mr. Zaheer Uddin Ahmad, retired on January 15, 2024.

** New Chief Executive Officer, Mr. Arshad Rahim Khan, was appointed on January 15, 2024.

Composition of our Board of Directors

The total number of Directors is 9 and male to female ratio is 6:3

Election of Directors

Following the expiry of three years term of the previous Board of Directors, an election was held in 2023 and a new Board was constituted with effect from November 1, 2023 for a period of three years.

The Board would like to thank and place on record its deepest appreciation for the valuable services rendered by the outgoing Chief Executive Officer Mr. Zaheer Uddin in January, 2024.

Board Meetings and Attendance

The Board holds regular meetings throughout the year. During the financial year ended June 30 2024, 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
Non-Executive Directors		
Mr. Mohammad Salim – Chairman	6	6
Mr. Yacoob Suttar – Vice Chairman	6	6
Mr. Ali Ahmed Khan	6	4
Ms. Talaat Naeem Tyabji	6	6
Mrs. Qaisra Saleemuddin Ahmed	6	6
Dr. Aamir Mustafa Jafarey*	6	3
Dr. Ayesha Irshad Miyan	6	3
Mr. Faisal Mahmood Ghani	6	6
Mr. Amar Hassan	6	3

*Dr. Aamir Mustafa Jafery joined the Board from November 1, 2023.

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 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 institution are:

Name of Director	Meetings
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 these.
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, both, organizational and departmental level.
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 KeH take pleasure in presenting this report, together with the Accounts of the organization for the year ended June 30, 2024. 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 judgment.
- 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 2023-24 are presented in this report.

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

During the year ended June 30, 2024, the remuneration of Arshad Rahim Khan, Chief Executive Officer was PKR 4,784,000/- from Jan-24 to Jun-24. There were no changes in other terms and conditions of his appointment.

During the year ended June 30, 2024, the remuneration of Zaheer Uddin Ahmad, outgoing Chief Executive Officer was PKR 4,635,000/-.

Involvement of the Board of Directors

KeH'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 institution 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

Karwan-e-Hayat (KeH) remains dedicated to providing high-quality mental health care in Karachi. After facilitating over 243,000 patient visits in the fiscal year 2023-24, the Board has approved several ambitious plans to expand our services and enhance the quality of care:

- **Expansion of OPD Operations:** Increasing outpatient department capabilities to serve more patients with efficiency and care.
- **Enhanced Patient Referrals:** Boosting the number of referrals to ensure timely access to mental health services.
- **Improved Infrastructure:** Upgrading hospital facilities to enhance the patient experience and provide a safe, therapeutic environment.
- **Greater Outreach Activities:** Expanding community outreach to establish more camps in remote areas, ensuring easier access to mental health care services.
- **Continuous Quality Improvement:** Committing to ongoing initiatives that improve the quality of care provided.
- **State-of-the-Art Treatment:** Implementing evidence-based treatment, innovative approaches and rehabilitation techniques to deliver the best possible care.
- **Preventive Health Promotion:** Promoting mental health awareness to forestall mental health issues before they become chronic and improve overall community well-being.

Creation of the Quality Management Department (QMD)

The foundation for total quality management was laid in the second half of the year by the formation of the Quality Management Department (QMD). It will continue to focus on enhancing operational efficiency and patient safety throughout the organization. Ongoing efforts are in process to revise the existing policies and develop further policies which will address unforeseen and unaddressed challenges.

The upcoming major step is the implementation of an organization-wide baseline questionnaire to develop a Quality Assurance and Performance Improvement Plan. This will assist in identifying the existing gaps in the system and help to rectify them. QMD is dedicated to maintaining accountability, transparency and organizational learning by regularly and systematically evaluating KeH's mental health programs, policies, and processes. QMD will conduct regular assessments and evaluations to ensure that the quality of patient care and treatment remains at the forefront of our operations. By focusing on these critical areas, it will help KeH to continuously improve and adapt to the evolving needs of our clients, community and other stakeholders.

Strategic Expansion Plans

We are also planning to expand our physical presence beyond the Keamari and Korangi areas by adding new locations, bringing us closer to our goal of becoming a best-in-class psychiatric care facility. This expansion is a priority for the upcoming year, and we are carefully assessing our organizational capacity, capabilities, and financial resources to achieve this goal. By doing so, we aim to make comprehensive mental health care more accessible to the masses, providing a one-stop solution at additional accessible locations.

Tele-Psychiatry Initiatives

Recognizing the growing importance of digital health solutions, KeH is expanding its tele-psychiatry services. Research indicates that follow-up times can be significantly reduced from 44 days to 22 days through phone or WhatsApp consultations. With nearly 100 million smartphone users in Pakistan, there is a significant opportunity to increase our reach. We are developing strategies to convert more walk-in patients into telephonic follow-ups and exploring partnerships with institutions outside Karachi to promote tele-psychiatry for those living far from mental health facilities. Concerted efforts have already been made to establish a working relationship with a prominent tele-health facility to facilitate KeH on a national level.

Funding Strategy

To support these initiatives, we have developed a comprehensive funding strategy:

- **Engagement with Related Stakeholders:** We will approach financial institutions and public sector organizations to secure donations and increase funding. We will also reconnect with existing donors and re-energize dormant supporters to bolster our financial base.
- **Global Outreach to the Pakistani Diaspora:** We plan to establish a KeH USA Chapter to tap into the generosity of the Pakistani diaspora. This effort will extend globally to communities with significant Pakistani populations, aiming to secure additional funding and support.
- **Government Collaboration:** Strengthening our relationship with government leaders to obtain Zakat and donations for the upcoming fiscal year. This will help support both our operational needs and capital projects.
- **Enhanced Donor Engagement:** We will focus on deepening our engagement with current and potential donors. KeH Board members and Advisors will actively connect with corporates, entrepreneurs, and individual supporters to expand our network and funding opportunities.

With these strategic plans, KeH is committed to advancing mental health care, improving patient outcomes, and making a lasting impact to the communities we serve.



Mohammad Salim
Chairman



Arshad Rahim Khan
CEO

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, 2024

BDO Ebrahim & Co. Chartered Accountants

BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

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, 2024, and the statement of income and expenditure, the statement of 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 material 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 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, 2024 of the surplus, its comprehensive income, 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, 2024, 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.

BDO Ebrahim & Co. Chartered Accountants

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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.

BDO Ebrahim & Co. Chartered Accountants

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- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

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

- a) proper books of account have been kept by the 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 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 Zulfikar Ali Causer.

KARACHI

DATED: 29 OCT 2024

UDIN: AR202410067wVhLtRdoP



BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

BDO Ebrahim & Co. Chartered Accountants

BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

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, 2024

	Note	2024	2023
		------(Rupees)-----	
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	5	71,727,958	69,304,007
Long-term deposits and advances		722,549	790,049
Long-term investments		-	-
		72,450,507	70,094,056
CURRENT ASSETS			
Inventory	6	12,357,322	19,173,386
Advances and prepayments	7	4,750,673	3,846,465
Short term investments	8	156,000,000	128,000,000
Contribution receivable		3,134,999	8,552,232
Interest accrued on investments		7,418,751	1,282,191
Cash and bank balances	9	10,041,403	8,547,945
		193,703,148	169,402,219
TOTAL ASSETS		266,153,655	239,496,275
FUNDS AND LIABILITIES			
RESERVES			
General fund		113,716,785	84,381,321
Endowment fund		55,000,000	55,000,000
		168,716,785	139,381,321
NON-CURRENT LIABILITY			
Deferred grant	12	60,735,364	61,093,390
Liabilities against right of use assets	10	49,297	2,471,694
		60,784,661	63,565,084
CURRENT LIABILITIES			
Accrued and other liabilities	11	25,475,340	14,267,242
Current portion of finance lease	10	540,157	1,591,053
Current portion of deferred grant	12	10,636,712	20,691,575
		36,652,209	36,549,870
TOTAL FUNDS AND LIABILITIES		266,153,655	239,496,275
CONTINGENCIES AND COMMITMENTS	13		

The annexed notes from 1 to 32 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, 2024

	Note	2024 ------(Rupees)-----	2023
INCOME			
Donations	14	47,736,860	41,113,736
Zakat	15	74,476,673	53,759,911
Receipts from patients	16	135,958,464	104,302,335
Grant income	17	26,336,219	14,549,506
Investment income		25,066,808	9,658,773
Income from fund raising	18	17,456,722	-
Other income	19	3,088,339	2,444,509
		<u>330,120,085</u>	<u>225,828,770</u>
EXPENDITURE			
Operating expenses	20	<u>268,062,813</u>	<u>190,566,775</u>
Administrative and general expenses	21	<u>32,721,808</u>	<u>25,234,205</u>
		<u>300,784,621</u>	<u>215,800,980</u>
Surplus for the year		<u>29,335,464</u>	<u>10,027,790</u>

The annexed notes from 1 to 32 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, 2024**

	2024	2023
	------(Rupees)-----	
Surplus for the year	29,335,464	10,027,790
Other comprehensive income	-	-
Total comprehensive income for the year	29,335,464	10,027,790

The annexed notes from 1 to 32 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, 2024

	2024	2023
Note	------(Rupees)-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus for the year	29,335,464	10,027,790
Adjustments for non cash and other items:		
Depreciation	12,094,061	10,947,486
Interest income on investments	(25,066,808)	(9,658,773)
Finance cost	144,300	665,649
	<u>16,507,017</u>	<u>11,982,152</u>
Decrease / (increase) in current assets		
Inventory	6,816,064	(14,285,874)
Advance and prepayments	(904,208)	(958,207)
Contribution receivable	5,417,233	3,155,061
	<u>11,329,089</u>	<u>(12,089,020)</u>
Increase / (decrease) in current liabilities		
Accrued and other liabilities	11,208,098	1,307,016
Finance cost paid	(144,300)	(665,649)
Deferred grant	(10,412,889)	17,031,349
Cash generated from operations	<u>650,909</u>	<u>17,672,716</u>
Long-term deposits and advances	67,500	(130,000)
Net cash flows from operating activities	<u>28,554,515</u>	<u>17,435,848</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property and equipment	(4,220,968)	(23,408,660)
Additions to capital work in progress	(12,434,321)	(5,228,879)
Payment against purchase of TDR	(28,000,000)	(71,000,000)
Proceeds from redemption of TDR	-	39,300,000
Interest received on investments	18,930,248	11,027,097
Net cash used in investing activities	<u>(25,725,041)</u>	<u>(49,310,442)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment against right of use assets	(1,336,016)	(1,184,351)
Net cash used in financing activities	<u>(1,336,016)</u>	<u>(1,184,351)</u>
Net increase / (decrease) in cash and cash equivalents	1,493,458	(33,058,945)
Cash and cash equivalents at the beginning of the year	8,547,945	41,606,890
Cash and cash equivalents at the end of the year	<u>9</u> <u>10,041,403</u>	<u>8,547,945</u>

The annexed notes from 1 to 32 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, 2024

	General fund	Endowment fund	Total
	----- (Rupees) -----		
Balance as at July 01, 2022	74,353,531	55,000,000	129,353,531
Total comprehensive income for the year			
Surplus for the year	10,027,790	-	10,027,790
Other comprehensive income	-		
	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>
Balance as at July 01, 2023	84,381,321	55,000,000	139,381,321
Total comprehensive income for the year			
Surplus for the year	29,335,464	-	29,335,464
Other comprehensive income	-	-	-
	29,335,464	-	29,335,464
Balance as at June 30, 2024	<u>113,716,785</u>	<u>55,000,000</u>	<u>168,716,785</u>

The annexed notes from 1 to 32 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, 2024**

1 STATUS AND NATURE OF ACTIVITIES

1.1 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.

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

Location	Owned/Rented	Usage
KPT & Karwan-e-Hayat Psychiatric Care and Rehabilitation Centre	Rented	Psychiatric and Rehabilitation Centre
Plot # N-36, Main Korangi Road	Rented	Community Psychiatric Centre
Jami Office at Punjab Colony	Owned	Registered Office

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 (ICAP) 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 these 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 Material 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 in 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) Useful lives, recoverable amount, impairment of non-financial assets and residual values of property and equipment (note 4.1)
- (ii) Impairment for account receivables. (note 4.4)
- (iii) Inventory (note 4.5)
- (iv) Provisions (note 4.9)

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

3.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2024

The following standards, amendments and interpretations are effective for the year ended June 30, 2024. 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.

	Effective date (annual periods beginning on or after)
Amendments to IAS 1 'Presentation of Financial Statements' and IFRS Practice	January 01, 2023
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 Management Company adopted the narrow-scope amendments to the International Accounting Standard (IAS) 1, Presentation of Financial Statements which have been effective for annual reporting periods beginning on or after 1 January 2023. Although the amendments did not result in any changes to accounting policy themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of rather than accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting the Company to provide useful entity-specific accounting policy information that users need to understand other information in the financial statements.

Management reviewed the accounting policies and updates to the information disclosed in Note 4 Material accounting policies (2023: Significant accounting policies) in certain instances in line with the amendments and concluded that all its accounting policies are material for disclosure.

During the year, the Institute of Chartered Accountants of Pakistan (ICAP) has withdrawn Technical Release 27 12, Income Taxes (Revised and issued the 12 Application Guidance on Accounting for Minimum Taxes and Final (the Guidance). Accordingly, in accordance with the Guidance, the Company has changed its accounting policy to recognise minimum and final taxes as under IAS 37 Contingent

3.2 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.

	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Supplier finance arrangements	January 01, 2024
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
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' - 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 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025
IFRS 17 Insurance Contracts	January 01, 2026

IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP).

IFRS 18 'Presentation and Disclosures in Financial Statements' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by SECP.

IFRS 19 'Subsidiaries without Public Accountability: Disclosures' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by SECP.

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2026.

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES

The material 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 leasehold land, are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

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 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.

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

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 on initial recognition as the amount equal to 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.

c) 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

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Financial assets

Initial Recognition and Measurement

Financial assets are classified at initial recognition and subsequently measured at amortized cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVPL).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables are measured at the transaction price determined under IFRS 15 'Revenue from Contract with Customers'.

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e. the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified into following categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets designated at fair value through OCI (FVOCI) with no recycling of cumulative gains and losses upon derecognition (equity instruments); and
- Financial assets at fair value through profit or loss (FVPL)

Financial assets at amortised cost (debt instruments)

The Company measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets designated at FVOCI (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at FVOCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in profit or loss when the right of payment has been established. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Financial assets at FVPL

Financial assets at FVPL include financial assets held for trading, financial assets designated upon initial recognition at FVPL or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at FVOCI, as described above, debt instruments may be designated at FVPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at FVPL are carried in the statement of financial position at fair value with net changes in fair value recognised in statement of profit or loss and other comprehensive income.

This category also includes derivative instruments and listed equity investments which the Company had not irrevocably elected to classify at FVOCI. Dividends on equity investments are also recognised as other income in profit or loss when the right of payment has been established.

The Company has not designated any financial asset at FVPL.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings, trade payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

Financial liabilities at FVPL

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognised in the profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Company has not designated any financial liability as at FVPL.

Financial liabilities at amortized cost

After initial recognition, borrowings and payables are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer the settlement of the liability for at least twelve months after the reporting date. Exchange gains and losses arising in respect of borrowings in foreign currency are added to the carrying amount of the borrowing.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

4.3 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

4.4 Impairment

Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECL) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

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

For financial assets other than trade debts and contract assets, the Company applies general approach in calculating ECL. It is based on difference between the contractual cashflows due in accordance with the contract and all the cashflows that the Company expect to receive discounted at the approximation of the original effective interest rate. The expected cashflows will include cash flows from sale of collateral held or other credit enhancements that are integral to the contractual terms.

For trade debts and contract assets, the Company applies a simplified approach where applicable in calculating ECL. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECL at each reporting date. The Company has established a provision matrix for large portfolio of customer having similar characteristics and default rates based on the credit rating of customers from which receivables are due that is based on the historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Impairment of 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 such an indication exists, the asset's recoverable amount is estimated to determine the extent of impairment loss, if any. An impairment loss is recognised, as an expense in statement of profit or loss. The recoverable amount is the higher of an asset's fair value less cost to disposal and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the assets for which the estimate of future cash flow have not been adjusted. 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 is reversed if there is 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 recognised previously. Reversal of an impairment loss is recognised immediately in statement of profit or loss.

4.5 Inventory

These are valued at lower of cost and net realisable value. Cost comprises of the purchase cost and other related costs incurred in bringing the inventory to their present location and condition. Cost is determined on weighted average cost basis. 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.

4.6 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.

4.7 Deferred grant

Grant received for the specific purpose for property and equipment and intangible assets is recognized as deferred grant and is amortized over the useful life of the asset. Whereas other grant received from the donor are recognized as deferred grant and is transferred to the income and expenditure account to the extent of the expenses incurred by the Institute, in accordance with the terms of the grant.

4.8 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. Amount received from Inpatients for the next financial year is treated as advance from customers 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.

4.9 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.

4.10 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.

4.11 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.

4.12 Restricted funds

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

Donations, other related income and cost recoveries are classified as restricted funds. Expenses incurred out of restricted funds are reflected in the income and expenditure. 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.

4.13 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.

4.14 Foreign currency transactions and translation

Transactions in foreign currencies are translated in Pakistani Rupees at the exchange rates prevailing on the date of transaction. Monetary assets and liabilities in foreign currencies are translated into Pakistani Rupees at the rates of exchange prevailing at the reporting date. Exchange gains and losses from the settlement of foreign currency transactions and translations of monetary assets and liabilities at the reporting date rates are included in statement of income and expenditure.

4.14 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.

4.15 Contingent liability

Contingent liability is disclosed when:

there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or

there is a present 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 measure with sufficient reliability.

4.16 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.

4.17 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
Capital work in progress

Note
2024
2023
Rupees-----

5.1 71,489,158 53,228,061
5.2 238,800 16,075,946
71,727,958 69,304,007

5.1 Operating assets

COST ACCUMULATED DEPRECIATION

Particulars	Note	As at July 01, 2023	Additions during the year	Leases terminated	As at June 30, 2024	As at July 01, 2023	Depreciation for the year	Leases terminated	As at June 30, 2024	Written down value as at June 30, 2024	Rate
Owned											
Building on leasehold land	5.1.1	34,131,711	14,750,428	-	48,882,139	11,367,645	3,096,327	-	14,463,972	34,418,167	10
Electrical fittings and equipment		9,882,722	12,105,668	-	21,988,390	4,890,388	1,915,772	-	6,806,160	15,182,230	15
Reverse osmosis plant		2,946,170	-	-	2,946,170	1,399,502	580,000	-	1,579,502	966,668	20
Furniture and fixtures		13,108,151	1,650,442	-	14,758,593	5,969,145	925,991	-	6,895,136	7,843,457	10
General equipment		5,109,713	1,109,874	-	6,219,587	2,531,098	699,557	-	3,230,655	2,988,932	15
IT equipment		11,009,523	2,896,023	-	13,905,546	8,339,480	1,976,798	-	10,316,278	3,589,268	33
Vehicles		9,892,175	-	-	9,892,175	2,276,640	1,978,437	-	4,255,077	5,637,098	20
Right of use assets											
Generator		1,400,000	-	-	1,400,000	256,666	279,996	-	536,662	863,338	20
Building	5.1.3	3,847,098	-	(3,847,098)	-	1,068,638	641,183	(1,709,821)	-	71,489,158	33
Total Rupees - 2024		91,327,263	32,492,435	(3,847,098)	119,972,600	38,099,202	12,094,061	(1,709,821)	48,483,442		

COST ACCUMULATED DEPRECIATION

Particulars	Note	As at July 01, 2022	Additions during the year	Leases terminated	As at June 30, 2023	As at July 01, 2022	Depreciation for the year	Leases terminated	As at June 30, 2023	Written down value as at June 30, 2023	Rate
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	844,356	-	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		3,050,588	2,079,135	-	5,109,713	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	-	8,339,480	2,670,043	33
Vehicles		9,892,175	-	-	9,892,175	298,203	1,978,437	-	2,276,640	7,615,555	20
Right of use assets											
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	2,778,460	33
Total Rupees - 2023		62,671,505	28,655,758	-	91,327,263	27,151,716	10,947,486	-	38,099,202	53,228,061	

5.1.1 This represents cost incurred on land by the Institute on building situated at Plot No. 14 - A Kemani, 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. 17.05 million (2023: Rs. 18.91 million) attributed to the contributed fixed assets donated to the Institute.

5.1.3 This represents lease terminated during the year.

	Note	2024 ------(Rupees)-----	2023
5.1.4 Allocation of Depreciation			
Operating expenses	20	11,368,417	10,290,637
Administrative and general expenses	21	725,644	656,849
		<u>12,094,061</u>	<u>10,947,486</u>
5.2 Capital work in progress			
Balance at July 01		16,075,946	10,847,067
Additions	5.2.1	12,434,321	26,671,101
Transfer to property and equipment		(28,271,467)	(21,442,222)
Balance at June 30		<u>238,800</u>	<u>16,075,946</u>

5.2.1 The capital work in progress pertain to renovation of female ward and lift at KPT location.

6 INVENTORY

Medicines		<u>12,357,322</u>	<u>19,173,386</u>
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7 ADVANCES AND PREPAYMENTS

Advances			
Staff		53,036	-
Rent		173,912	280,917
Prepaid insurance		2,468,660	1,441,655
Fee and subscription		994,151	114,277
Other advances	7.1	1,060,914	2,009,616
		<u>4,750,673</u>	<u>3,846,465</u>

7.1 This includes advance given to Sidat Hyder amounting to Rs. 0.353 million (2023: Nil) for the implementation of accounting software.

8 SHORT-TERM INVESTMENTS

Term deposit receipts	8.1	<u>156,000,000</u>	<u>128,000,000</u>
-----------------------	-----	--------------------	--------------------

8.1 These represents term deposits placed with United Bank Limited and Meezan Bank Limited carrying mark-up rates ranging from 19% to 19.75% per annum (2023: 18% to 19.5% per annum) having maturity ranging from one month to one year (2023: one month to one year).

	Note	2024 ------(Rupees)-----	2023
9 CASH AND BANK BALANCES			
Cash in hand		157,866	237,147
Cash at bank			
Current account	9.1	3,530,219	5,413,485
Savings account	9.2	6,353,318	2,897,313
		<u>10,041,403</u>	<u>8,547,945</u>

9.1 This includes amount pertaining to zakat funds of Rs. 3.202 million (2023: Rs. 1.899 million).

9.2 These savings accounts carry profit rates ranging from 19.5% to 21.34% (2023: 10% to 12.5%) per annum.

10 LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE

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

	10.1	589,454	1,045,154
Building	10.2	-	3,017,593
		<u>589,454</u>	<u>4,062,747</u>
Current		<u>(540,157)</u>	<u>(1,591,053)</u>
		<u>49,297</u>	<u>2,471,694</u>

10.1 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.

10.2 This represent lease entered 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. On December 31, 2023, the lease agreement was terminated, leading to the reversal of the lease liability during the year.

	2024		2023	
	Minimum Lease Payment	Present Value	Minimum Lease Payment	Present Value
Not later than one year	600,000	540,157	2,290,000	1,591,053
Later than one year and not later than five years	50,000	49,297	2,823,600	2,471,694
	650,000	589,454	5,113,600	4,062,747
Less: Future finance charges	(60,546)	-	(1,050,853)	-
Present value of minimum lease payments	589,454	589,454	4,062,747	4,062,747
Less: Current portion of finance lease	(540,157)	(540,157)	(1,591,053)	(1,591,053)
	49,297	49,297	2,471,694	2,471,694

	Note	2024	2023
		------(Rupees)-----	
11 ACCRUED AND OTHER LIABILITIES			
Accrued expenses		3,074,071	1,976,207
Withholding tax payable		983,966	905,497
Creditors	11.1	18,880,310	8,646,894
Contribution payable to Employees' Old-Age Benefits Institution (EOBI)		1,393,666	1,677,270
Other payables		1,143,327	1,061,374
		<u>25,475,340</u>	<u>14,267,242</u>

11.1 This amount includes amount Rs. 10.4 millions (2023: Rs. 8.1 millions) payable to suppliers against purchases of medicines.

12 DEFERRED GRANT

Deferred grant for property and equipment	55,264,422	61,093,390
Receipt from donor - restricted	16,107,654	20,691,575
	<u>71,372,076</u>	<u>81,784,965</u>
Less: Current portion	(10,636,712)	(20,691,575)
	<u>60,735,364</u>	<u>61,093,390</u>

12.1 During the year, medicines expired amounts to Rs. 4.188 million (2023: Nil) have been written off.

13 CONTINGENCIES AND COMMITMENTS

There are no contingency and commitments of the Institute as at June 30, 2024 (2023: Nil).

14 DONATIONS

Corporates	2,899,988	7,796,515
Individuals	27,717,807	20,494,723
In kind	17,119,065	12,822,498
	<u>47,736,860</u>	<u>41,113,736</u>

	Note	2024 ------(Rupees)-----	2023
15 ZAKAT			
Zakat from domestic resources		<u>74,476,673</u>	<u>53,759,911</u>
15.1 Zakat available for utilization			
Opening balance of zakat		1,898,892	26,283,530
Zakat received during the year		<u>74,476,673</u>	<u>53,759,911</u>
		76,375,565	80,043,441
Zakat utilized during the year			
Zakat utilized on OPD patients		51,803,672	55,884,549
Zakat utilized on IPD patients		<u>21,369,600</u>	<u>22,260,000</u>
		<u>73,173,272</u>	<u>78,144,549</u>
Closing balance of the zakat		<u>3,202,293</u>	<u>1,898,892</u>
Closing balance of the zakat is represented by:			
Cash and bank balances related to zakat balances		<u>3,202,293</u>	<u>1,898,892</u>
16 RECEIPTS FROM PATIENTS			
Consultation fee		4,349,832	2,408,234
Day care unit		1,440,420	1,098,435
Medicine		21,510,628	13,674,367
Receipt from in-patient		108,601,926	87,072,999
Registration fee		55,658	48,300
		<u>135,958,464</u>	<u>104,302,335</u>
17 GRANT INCOME			
Grant income		<u>26,336,219</u>	<u>14,549,506</u>
18 INCOME FROM FUND RAISING			
Fund Raising Event Income		17,456,722	-
Less: Fund Raising Activity Expenses		<u>(3,605,913)</u>	<u>-</u>
		<u>13,850,809</u>	<u>-</u>

	Note	2024 ------(Rupees)-----	2023
19 OTHER INCOME			
Canteen income		2,006,545	2,046,788
Tender / registration fee / renewal registration fee		36,000	34,000
Members fee		32,500	55,000
Income from World Mental Health Day conference		-	30,000
Miscellaneous income		1,013,294	278,721
		<u>3,088,339</u>	<u>2,444,509</u>
20 OPERATING EXPENSE			
Salaries, wages and other benefits	20.1	102,799,868	81,876,596
Medicines consumed	20.2	36,570,743	19,214,997
Fee and subscription		4,196,389	4,702,040
Patient food		23,310,452	18,009,396
Marketing and advertisement		10,500,217	7,792,110
Travelling and conveyance		4,603,465	4,047,799
Utilities		15,582,875	10,005,916
IT services		1,771,278	1,597,212
Security services		4,869,491	3,991,928
Printing, stationery and postage		2,605,850	1,731,410
Repair and maintenance		6,604,934	2,932,423
Consumables		9,195,354	4,153,037
Internet charges		600,828	568,196
Laundry		3,018,681	2,204,584
Uniform		2,408,911	1,201,010
Day care and rehabilitation		150,805	122,554
Education and training		342,587	17,379
Depreciation	5.1.4	11,368,417	10,290,637
Bank charges		-	182,730
Insurance		3,574,794	2,284,364
Rent, rates and taxes		1,926,528	1,147,978
Doctor's incentive consultancy		14,182,087	9,414,604
Fund raising event		3,605,913	-
Other expenses		4,272,346	3,077,875
		<u>268,062,813</u>	<u>190,566,775</u>

20.1 Salaries and wages includes Rs. 2.597 million (2023: Rs. 2.324 million) in respect of staff provident fund.

	Note	2024	2023
		------(Rupees)-----	
20.2 Medicines consumed			
Stock at the beginning of the year		19,173,386	4,887,512
Purchases during the year		33,766,582	19,083,184
Donation - received in kind		176,134	14,616,374
		<u>53,116,102</u>	<u>38,587,070</u>
Stock expired during the year		(4,188,037)	-
		<u>48,928,065</u>	<u>38,587,070</u>
Stock at the end of the year		(12,357,322)	(19,173,386)
		<u><u>36,570,743</u></u>	<u><u>19,413,684</u></u>

21 ADMINISTRATIVE AND GENERAL EXPENSES

Salaries, wages and other benefits	21.1	23,815,903	19,001,271
Fee and subscription		572,235	143,212
Utilities		994,652	638,676
Printing, stationery and postage		651,462	432,852
Repair and maintenance		421,592	187,176
Depreciation	5.1.4	725,644	656,849
Travelling and conveyance		1,150,866	1,011,950
Auditor's remuneration	21.2	594,000	464,882
Insurance		228,178	145,810
Rent, rates and taxes		19,460	11,596
IT services		241,539	47,917
Security services		664,022	119,758
Internet charges		150,207	142,049
Members meeting expenses		66,607	67,944
Bank charges		2,077,549	641,181
Other expenses		203,592	855,433
Finance cost		144,300	665,649
		<u><u>32,721,808</u></u>	<u><u>25,232,182</u></u>

21.1 Salaries and wages include Rs. 0.609 million (2023: Rs. 0.546 million) in respect of staff provident fund.

21.2 Auditor's Remuneration

Audit fee	500,000	400,000
Out of pocket	50,000	34,512
Sindh sales tax	44,000	30,370
	<u><u>594,000</u></u>	<u><u>464,882</u></u>

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:

	2024			2023		
	Chief Executive Officer	Executives	Total	Chief Executive Officer	Executives	Total
Salary and other allowances	9,570,000	19,263,348	28,833,348	7,750,000	9,626,490	17,376,490
Number of persons	2*	6		1	3	

* The former CEO held the position until January 15, 2024, after which the new CEO assumed office on the same date

22.1 Directors of the Institute have not charged salary / meeting fee during the year ended June 30, 2024 and June 30, 2023.

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:

	2024	2023
	----- (Rupees) -----	
Membership fee received from directors	32,500	55,000

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 RECONCILIATION OF MOVEMENT OF LIABILITIES AND EQUITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

Description	Lease Liabilities	Total
	----- (Rupees) -----	
Balance as at July 1, 2023	4,062,747	4,062,747
Received during the year	-	-
Addition of lease liabilities	-	-
Paid during the year	(1,336,016)	(1,336,016)
Lease terminated during the year	(2,137,277)	(2,137,277)
Balance as at June 30, 2024	589,454	589,454

2024 2023
-----**(Rupees)**-----

26 FINANCIAL INSTRUMENTS RELATED DISCLOSURES

26.1 FINANCIAL INSTRUMENTS BY CATEGORY

Assets

Financial assets measured at amortised cost

Long term deposits	722,549	790,049
Contribution receivable	3,134,999	8,552,232
Short term investments	156,000,000	128,000,000
Interest accrued on investments	7,418,751	1,282,191
Cash and bank balances	10,041,403	8,547,945
Total Assets	177,317,702	147,172,417

Liabilities

Financial liabilities measured at amortised cost

Accrued and other liabilities	24,491,374	13,361,745
Liabilities against right of use assets	589,454	4,062,747
	25,080,828	17,424,492

26.2 Financial risk management

The Institute's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk, liquidity risk. The Institute's overall risk management program 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.

26.3 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 long term deposit and advances, 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 as at June 30, 2024 is the carrying amount of the financial assets as set out below:

	2024	2023
	------(Rupees)-----	
Contribution receivable	3,134,999	8,552,232
Short-term investment	156,000,000	128,000,000
Interest accrued on investments	7,418,751	1,282,191
Bank balances	9,883,537	8,310,798
	<u>176,437,287</u>	<u>146,145,221</u>

The aging of contribution receivables at the reporting date is:

0-29 days later	1,554,809	3,388,985
30-59 days later	324,525	1,250,042
60-89 days later	971,594	555,343
90-179 days later	-	83,335
180 days or more	284,071	3,274,527
	<u>3,134,999</u>	<u>8,552,232</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. 2024
	Short term	Long Term		
Investment				
United Bank Limited	A-1+	AAA	JCR-VIS	116,000,000
Meezan Bank Limited	A-1+	AAA	JCR-VIS	40,000,000
				<u>156,000,000</u>
Bank balances				
United Bank Limited	A-1+	AAA	JCR-VIS	3,530,219
Allied Bank Limited	A1+	AAA	PACRA	1,492,633
Dubai Islamic Bank	A-1+	AA	JCR-VIS	402,100
Meezan Bank Limited	A-1+	AAA	JCR-VIS	3,202,293
MCB Bank Limited	A1+	AAA	PACRA	1,256,292
				<u>9,883,537</u>

	Rating		Rating Agency	Rs 2023
	Short term	Long Term		
Investment				
United Bank Limited	A1+	AAA	JCR-VIS	128,000,000
Bank balances				
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>

26.4 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	25,475,340	25,475,340	25,475,340	-	-	-
Lease liabilities	589,454	650,000	300,000	300,000	50,000	-
Total - 2024	<u>26,064,794</u>	<u>26,125,340</u>	<u>25,775,340</u>	<u>300,000</u>	<u>50,000</u>	<u>-</u>
Total - 2023	<u>18,329,989</u>	<u>15,517,242</u>	<u>14,567,242</u>	<u>300,000</u>	<u>650,000</u>	<u>-</u>

26.5 Market risk

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates, foreign exchange rates or the price risk due to a change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market. The Company is not exposed to currency and other price risk.

26.6 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, leases 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 instruments	Effective rate (In percent)	2024 Rupees	2023 Rupees
Saving accounts	19.5% to 21.34%	6,353,318	2,897,313
Short term	19% to 19.75%		
Investments		156,000,000	128,000,000
Liabilities against right of use assets	16.21% to 17.12%	589,454	4,062,747
		<u>162,942,772</u>	<u>134,960,060</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) - 2024	<u>1,629,428</u>	<u>(1,629,428)</u>
Variable rate financial assets (Rupees) - 2023	<u>1,349,601</u>	<u>(1,349,601)</u>

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

27 FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The carrying values of all financial assets and liabilities reflected in the financial statements approximate fair values.

The following table shows assets recognized at fair value, analyzed between those whose fair value is based on:

- Level 1: Quoted prices in active markets for identical assets or liabilities;
- Level 2: Those involving Inputs other than quoted prices included in Level 1 that are observable for the asset or liability,
- Level 3: Inputs for the asset or liability that are not based on observable market data.

28 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.

29 NUMBER OF EMPLOYEES

	2024	2023
At the year end:		
Operational	158	126
Head office	18	17
Total	176	143
Average number of employees	160	136

30 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and for better presentation. During the year following balances was reclassified: .

Description	Reclassified from	Reclassified to	--- Rupees---
Bifurcation of current and non current portion	Deferred Grant-Current	Deferred Grant- Non Current	61,093,390

31 GENERAL

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

32 DATE OF AUTHORIZATION OF FINANCIAL STATEMENTS

These financial statements were authorized for issue by the Board of Directors on 25 OCT 2024.


CHIEF EXECUTIVE OFFICER


DIRECTOR

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.



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 48-H, Qabrastan Road, Creek General Hospital, Korangi, Karachi
Contact: 021-35120204/5

SPONSORSHIP AND DONATION PACKAGES

1	Sponsor inpatient stay	Inpatient is provided hospitalization, consultation, medication, daycare and rehabilitation with 3 meals and snacks	Annual cost is PKR 1.26 million
2	Bed Sheets and Mattresses	Annual quantity of bedsheets and pillows is 800 each, and annual requirement of mattresses is 100	<p>Cost per bed sheet is PKR 1,500</p> <p>Cost of 800 bed sheets is PKR 1.2 million</p> <p>Cost per pillow with rexine cover is PKR 2,000</p> <p>Cost of 800 pillows is PKR 1.6 million</p> <p>Cost per Mattress with rexine cover is PKR 16,500</p> <p>Cost of 100 Mattress with rexine cover is PKR 1.65 million</p>
3	Hygiene / Admission Pack	1,500 packs are required annually. Each pack contains a toothbrush, toothpaste, soap, face towel, tissues and comb	<p>Cost per pack is PKR 1,600</p> <p>Cost for 1500 packs is PKR 2.4 million</p>
4	Medicines for Patients	Psychiatric medication for inpatient and outpatient departments	Monthly cost of medicines is PKR 4 million
5	Meals for Patients	3 meals + snacks provided to all inpatients	<p>Cost per meal (inc. of snacks) per patient per day is PKR 2,000</p> <p>Cost for one day for 100 patients is PKR 200,000</p>
6	Clothing for Patients	4 uniforms per patient. In winter, we provide 2 sweaters per patient.	<p>Cost per uniform is PKR 3,000</p> <p>Total cost of uniforms is PKR 1.2 million</p> <p>Cost per sweater is PKR 2,500</p> <p>Total cost of sweaters is PKR 500,000</p>
7	Inpatient Beds	As per requirement	<p>Cost per bed is PKR 90,000</p> <p>Total cost of 100 beds is PKR 9 million</p>

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. We are Shariah-compliant and all Zakat collected is approved by our Shariah Advisory Board.

CERTIFICATIONS



GLOSSARY OF SELECTIVE TERMS

Abbreviation	Description
ADHD	Attention Deficit Hyperactivity Disorder
BAC	Board Audit Committee
CQI-QAPI	Continuous Quality Improvement and Quality Assurance and Performance Improvement
IADL	Instrumental Activities of Daily Living
ICAP	Institute of Chartered Accountants of Pakistan
ICMAP	Institute of Cost and Management Accountants of Pakistan
IFAC	International Federation of Accountants
IFRIC	International Financial Reporting Interpretation Committee
IFRS	International Financial Reporting Standards
IPC	Infection Prevention and Control
IPD	Inpatient Department
KGPC	Korangi Community Psychiatric Centre
KEH	Karwan-e-Hayat
KIBOR	Karachi Inter-Bank Offer Rate
NBV	Net Book Value
NRV	Net Realizable Value
OCD	Obsessive Compulsive Disorder
OPD	Outpatient Department
OT	Occupational Therapist
PCP	Pakistan Centre for Philanthropy
PCRC	Psychiatric Care and Rehabilitation Centre
PIP	Performance Improvement Plan
PSDA/PCDA	Plan, Study/Check, Do and Act
PTSD	Post-Traumatic Stress Disorder
QMC	Quality Management Committee
S.M.A.R.T.	Specific, Measurable, Achievable, Relevant, and Time-Bound
SECP	Securities and Exchange Commission of Pakistan
SHCC	Sindh Healthcare Commission
TFC	Term Finance Certificate
TOR	Terms of Reference
WRAP	Wellness Recovery Action Plan



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