

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF TASKEEN HEALTH INITIATIVE

#### Report on the Audit of the Financial Statements

##### Opinion

We have audited the annexed financial statements of **TASKEEN HEALTH INITIATIVE** ("The Company"), which comprise the statement of financial position as at June 30, 2022 the statement of income and expenditure and other comprehensive income, the statement of changes in funds, the statement of cash flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose 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, the statement of income and expenditure and other comprehensive income, the statement of changes in funds 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 Company's affairs as at June 30, 2022 and of the deficit and the changes in funds and its cash flows for the period 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 Company 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 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 Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report.

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, we have been informed by the management that there is no other information attached with the financial statements and our auditor's report thereon. Accordingly, we have nothing to report in this regard.

#### **Responsibilities of Management and 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 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 Company'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 Company or to cease operations, or has no realistic alternative but to do so.

Board of directors is responsible for overseeing the Company'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 Company'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 Company'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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board 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 Company as required by the Companies Act, 2017 (XIX of 2017);
- b) The statement of financial position, the statement of income and expenditure and other comprehensive income, the statement of changes in funds 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 period were for the purpose of the Company's business; and
- d) No zakat was deductible under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

#### **Other Matter**

The financial statement of the Taskeen Health Initiative for the year ended 30 June, 2021 were audited by another auditor who expressed an unmodified opinion on those financial statements on 28 October, 2021



The engagement partner on the audit resulting in this independent auditor's report is Shoaib Ahmad Waseem.



Junaidy Shoaib Asad  
Chartered Accountant  
Lahore

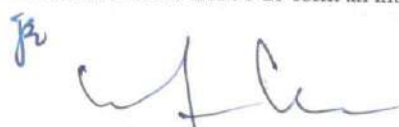
UDIN: AR202210196FX1TVmdck

Dated: **26 JAN 2023**

TASKEEN HEALTH INITIATIVE  
(A COMPANY SET UP UNDER SECTION 42 OF THE COMPANIES ACT, 2017)  
STATEMENT OF FINANCIAL POSITION  
AS AT JUNE 30, 2022

|  | Note | 2022<br>(Rupees) | 2021<br>(Rupees) |
|--|------|------------------|------------------|
| <b>NON-CURRENT ASSETS</b>              |      |                  |                  |
| Fixed asset                            | 7    | 1,051,087        | 808,223          |
| Long term prepayment                   | 8    | 3,864            | 27,045           |
| <b>Total Non-Current Assets</b>        |      | <b>1,054,951</b> | <b>835,268</b>   |
| <b>CURRENT ASSETS</b>                  |      |                  |                  |
| Advances, deposits and prepayments     | 9    | 351,258          | 209,171          |
| Cash and bank balances                 | 10   | 4,231,785        | 8,312,286        |
| <b>Total Current Assets</b>            |      | <b>4,583,043</b> | <b>8,521,457</b> |
| <b>Total Assets</b>                    |      | <b>5,637,994</b> | <b>9,356,725</b> |
| <b>FUND AND LIABILITIES</b>            |      |                  |                  |
| <b>FUNDS</b>                           |      |                  |                  |
| Unrestricted fund                      | 11   | 2,889,808        | 7,551,156        |
| <b>Total Funds</b>                     |      | <b>2,889,808</b> | <b>7,551,156</b> |
| <b>CURRENT LIABILITIES</b>             |      |                  |                  |
| Creditors, accrued & other liabilities | 12   | 2,748,186        | 1,805,569        |
| <b>Total Current Liabilities</b>       |      | <b>2,748,186</b> | <b>1,805,569</b> |
| <b>Total Funds and Liabilities</b>     |      | <b>5,637,994</b> | <b>9,356,725</b> |
| Contingencies & commitments            | 13   |                  |                  |

The annexed notes from 1-25 form an integral part of these financial statements.

  
CHIEF EXECUTIVE


  
DIRECTOR

**TASKEEN HEALTH INITIATIVE**  
**(A COMPANY SET UP UNDER SECTION 42 OF THE COMPANIES ACT, 2017)**  
**STATEMENT OF INCOME & EXPENDITURE AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED JUNE 30, 2022**

|   | Note | 2022<br>(Rupees)   | 2021<br>(Rupees)  |
|---|------|--------------------|-------------------|
| <b><u>INCOME</u></b>                                  |      |                    |                   |
| Unrestricted funds                                    |      |                    |                   |
| Donation  | 14   | 14,694,243         | 10,862,176        |
| Service income  | 15   | 247,500            | 506,000           |
|   |      | <u>14,941,743</u>  | <u>11,368,176</u> |
| Restricted funds                                      |      |                    |                   |
| Donation  | 14.1 | 523,910            | 10,250,169        |
| Zakat   | 16   | 5,508,486          | 882,850           |
| <b>Total income</b>                                   |      | <u>20,974,139</u>  | <u>22,501,195</u> |
| <b><u>EXPENDITURE</u></b>                             |      |                    |                   |
| Unrestricted funds                                    |      |                    |                   |
| Expenditure directly attribute to programs            | 17   | 17,600,952         | 5,857,608         |
| General admin expenditure                             | 18   | 2,204,524          | 1,586,195         |
|   |      | <u>19,805,476</u>  | <u>7,443,803</u>  |
| Restricted Funds                                      |      |                    |                   |
| Expenditure directly attribute to programs            | 17   | 6,032,396          | 11,133,019        |
| <b>Total Expenditure</b>                              |      | <u>25,837,872</u>  | <u>18,576,822</u> |
| <b><u>Other income</u></b>                            |      |                    |                   |
| Gain on sale of asset                                 |      | 2,385              | -                 |
| <b>(Deficit)/Surplus for the year before taxation</b> |      | <u>2,385</u>       | <u>-</u>          |
| <b>Taxation</b>                                       | 19   | (4,861,348)        | 3,924,373         |
| Other Comprehensive income/ (loss)                    |      | -                  | -                 |
| <b>Total (Deficit)/Surplus for the year</b>           |      | <u>(4,861,348)</u> | <u>3,924,373</u>  |

The annexed notes from 1-25 form an integral part of these financial statements.

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**CHIEF EXECUTIVE**

  
**DIRECTOR**

TASKEEN HEALTH INITIATIVE  
 (A COMPANY SET UP UNDER SECTION 42 OF THE COMPANIES ACT, 2017)  
 STATEMENT OF CHANGES IN FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2022

|                                   | Unrestricted fund            |                             | Total       |
|-----------------------------------|------------------------------|-----------------------------|-------------|
|                                   | Members Initial Contribution | Accumulated surplus/deficit |             |
|                                   | .....Amounts in Rupees.....  |                             |             |
| Balance as at June 30, 2020       | 800,000                      | 2,826,783                   | 3,626,783   |
| Members contribution for the year | -                            |                             | -           |
| Surplus for the year              | -                            | 3,924,373                   | 3,924,373   |
|                                   | -                            | 3,924,373                   | 3,924,373   |
| Balance as at June 30, 2021       | 800,000                      | 6,751,156                   | 7,551,156   |
| Members contribution for the year | 200,000                      |                             | 200,000     |
| Deficit for the year              | -                            | (4,861,348)                 | (4,861,348) |
|                                   | 200,000                      | (4,861,348)                 | (4,661,348) |
| Balance as at June 30, 2022       | 1,000,000                    | 1,889,808                   | 2,889,808   |

The annexed notes from 1-25 form an integral part of these financial statements.

  
 CHIEF EXECUTIVE

  
 DIRECTOR

TASKEEN HEALTH INITIATIVE  
(A COMPANY SET UP UNDER SECTION 42 OF THE COMPANIES ACT, 2017)  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2022

|   | 2022                | 2021             |
|---|---------------------|------------------|
| <b>Note</b>   | <b>(Rupees)</b>     | <b>(Rupees)</b>  |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                        |                     |                  |
| (Deficit)/Surplus for the year                                    | (4,861,348)         | 3,924,373        |
| Adjustments for:  |                     |                  |
| Depreciation  | 287,160             | 162,197          |
| Gain on sale of asset   | (2,385)             | -                |
| <b>Operating (deficit)/surplus before working capital changes</b> | <b>(4,576,573)</b>  | <b>4,086,570</b> |
| <b>Changes in working capital:</b>                                |                     |                  |
| Increase in creditors, accrued and other liabilities              | 942,617             | 987,498          |
| (Increase) in debtor and other assets                             | (142,087)           | (209,171)        |
| Decrease/(Increase) in long term prepayment                       | 23,181              | (27,045)         |
| <b>Net cash (outflow)/inflow from operating activities</b>        | <b>(3,752,862)</b>  | <b>4,837,852</b> |
| <b>Cash flow from investing activities:</b>                       |                     |                  |
| Disposal of equipment   | 16,000              | -                |
| Purchase of equipment   | (543,639)           | (933,308)        |
| <b>Net cash outflow from operating activities</b>                 | <b>(527,639)</b>    | <b>(933,308)</b> |
| <b>Cash flow from financing activities:</b>                       |                     |                  |
| Members initial contribution                                      | 200,000             | -                |
| <b>Net cash inflow from financing activities</b>                  | <b>200,000</b>      | <b>-</b>         |
| Net (decrease)/increase in cash and cash equivalents              | (4,080,501)         | 3,904,544        |
| Cash and cash equivalent at beginning of the period               | 8,312,286           | 4,407,742        |
| Cash and cash equivalent at the end of the period                 | <b>10 4,231,785</b> | <b>8,312,286</b> |

The annexed notes from 1-25 form an integral part of these financial statements.

  
**CHIEF EXECUTIVE**

  
**DIRECTOR**



**TASKEEN HEALTH INITIATIVE**  
**(A COMPANY SET UP UNDER SECTION 42 OF THE COMPANIES ACT, 2017)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

**1 Status and nature of business**

Taskeen Health Initiative ("The Company") was incorporated in Pakistan as a Company Limited by Guarantee on 02 October 2019 under section 42 of the Companies Act, 2017. The registered address of the Company is 142 B/1, Khayaban-e- Badar, Phase 7, DHA, Karachi, Pakistan.

Taskeen is a mental health initiative that aims to alleviate suffering of the people affected by mental illness. Taskeen is focused on conducting mental health promotion campaigns and mental illness prevention drives using different mediums such as community workers, social media, mass media and publicity events.

**2 Statement of compliance**

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

-International Financial Reporting Standards For SMEs and Accounting Standards For NPOs 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 for SMEs or Accounting Standards

For NPOs, the provisions of and directives issued under the Companies Act, 2017 have been followed.

**3 Basis of measurement**

These financial statements have been prepared under historical cost convention.

**4 Functional and presentation currency**

These financial statements are presented in Pakistan Rupee (Rs. / Rupees) which is the Company's functional currency. Amounts presented in financial statements have been rounded off to nearest of Rupees, unless otherwise stated.

**5 Use of estimates and judgements**

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

The estimates and underlying assumptions are reviewed on an on-going basis. Revision to the accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods. The areas where various assumptions and estimates are significant to

Company's financial statements or where judgements were exercised in application of accounting policies are as follow:

- Property, plant and equipment (Note 7)

**6 Summary of Significant Accounting Policies**

**6.1 Fixed assets**

All items of fixed assets are initially recorded at cost. Items of fixed assets are measured at cost less accumulated depreciation and impairment loss (if any). Depreciation is charged so as to write off the cost over their estimated useful lives, using the straight method at rates specified in note 7 to the financial statements. Depreciation is charged on additions of fixed assets from the date on which an asset is available for use as intended by the management and ceased when an asset is derecognized. The gain or loss arising on disposal of equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognized in the statement of income and expenditure. Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. The effect of any adjustments to residual values and useful lives is recognized prospectively as a change in estimate in statement of income and expenditure.

**6.2 Income recognition**

Services income raising from seminar and workshop activities held on mental health by the entity is recognized on accrual basis.

Donation and Zakat are recognized when entitlement of entity is established, i.e. when the amount is received.

**TASKEEN HEALTH INITIATIVE**  
**(A COMPANY SET UP UNDER SECTION 42 OF THE COMPANIES ACT, 2017)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

**6.3 Unrestricted Fund**

The un-restricted funds are recognized in the income and expenditure statement when received or when the amount of funds can be measured reliably and there is reasonable assurance that the entity will receive the funds.

**6.4 Restricted Fund**

Amounts received on account of a specific project, prior to incurring of the relevant costs, are credited to the appropriate restricted fund account in the statement of financial position. These sums are then transferred to the income and expenditure statement as and when the relevant expenses are recorded in the income and expenditure statement. On the conclusion of the project any balances lying in the restricted fund account are transferred to un-restricted fund or returned back as agreed with the donor. A grant that becomes receivable as compensation for expenses or losses already incurred shall be recognized as income.

**6.4.1 Zakat**

Zakat and any other funds which is for zakat eligible person received by the entity is categorized as restricted fund and all the expenses are adjusted against zakat fund according to procedure advised by shariah advisor of entity.

**6.5 Taxation**

Income tax expense comprises of current and deferred tax. Income tax expense is recognized in the income and expenditure account, except to the extent that it relates to item recognized directly in other comprehensive income in which case it is recognized in other comprehensive income.

**Current**

Provision for current taxation is based on taxable income at the enacted or substantively enacted rates of taxation after taking into account available tax credits and rebates, if any. The charge for current tax includes adjustments to charge for prior years which arises from assessments / developments made during the year, if any.

**Deferred**

Deferred tax is recognized using balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using the enacted or substantively enacted rates of taxation.

The Trust recognizes a deferred tax asset to the extent that it is probable that taxable profits for the foreseeable future will be available against which the assets can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

The provision for current and deferred tax has not been recognized on the basis disclosed in note 22 to these financial statements.

**6.6 Provisions**

Provisions are recognized when the organization has a present, legal or constructive obligation as a result of past events, if it is probable that an out flow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of obligation can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

**6.7 Impairment**

At each balance sheet date the organization assesses whether there is any indication that assets may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying values exceed the respective recoverable amount, assets are written down to their recoverable amounts and the resulting impairment loss is recognized in income and expenditure account. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Where impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised recoverable amount but limited to the extent of carrying amount that would have been determined had no impairment loss been recognized for that asset. Reversal of impairment loss is recognized as income.

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**TASKEEN HEALTH INITIATIVE**

**(A COMPANY SET UP UNDER SECTION 42 OF THE COMPANIES ACT, 2017)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED JUNE 30, 2022**

**6.8 Financial assets**

All financial assets are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. Financial assets are initially recognized at fair value, except for certain non-arm's length transactions. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership. All financial assets are subsequently carried at amortized cost using the effective interest method except for investments in equity instruments. Investments in equity instruments that are quoted in an active market shall be measured at fair value and investments in equity instruments that do not have active market are carried at cost less impairment loss, if any. Changes in fair value are recognized in income and expenditure account in the period in which they arise. Financial assets measured at amortized cost include other receivables, advances and, cash and bank balances. Dividend income from financial assets is recognized in the income and expenditure account when the company's right to receive payments is established. Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of write-down as a result of impairment is recognized in income and expenditure account. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of reversal will be recognized in income and expenditure account.

**6.9 Financial liabilities**

All financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities at amortized costs are initially measured at fair value minus transaction costs. Financial liabilities at fair value through profit or loss are initially recognized at fair value and transaction costs are expensed in the profit or loss. Financial liabilities, other than those at fair value through profit or loss, are subsequently measured at amortized cost using the effective yield method. A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired. Where 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 a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognized in the income and expenditure account.

**6.10 Offsetting of financial assets and liabilities**

A financial asset and a financial liability is offset and the net amount is reported in the balance sheet, if the Company has a legally enforceable right to set off the recognized amounts and intends either to settle on a net basis or to realize asset and settle the liability simultaneously.

**6.11 Cash and cash equivalents**

Cash and cash equivalents are carried in the statement of financial position at cost. For the purpose of cash flow statement, cash and cash equivalent comprise cash in hand and bank balances.

**6.12 Foreign currency transactions and translations**

Transactions in foreign currencies are recorded initially at the rates of exchange ruling on the date of transaction. All monetary assets and liabilities denominated in foreign currencies are translated into Pakistan Rupees at the rate of exchange ruling on balance sheet date and exchange differences, if any, are charged in the statement of income and expenditure.



TASKEEN HEALTH INITIATIVE  
(A COMPANY SET UP UNDER SECTION 42 OF THE COMPANIES ACT, 2017)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2022

7 Fixed Assets

| Description                     | Cost           |                |               | Rate             | Depreciation  |                        |               | W.D.V<br>June 30, 2022 |                  |
|---------------------------------|----------------|----------------|---------------|------------------|---------------|------------------------|---------------|------------------------|------------------|
|                                 | July 01, 2021  | Addition       | Deletion      |                  | June 30, 2022 | Charge For<br>the year | Deletion      |                        | June 30, 2022    |
| i) IT and Electronic Equipments | 393,448        | 503,140        | 30,000        | 866,588          | 33%           | 167,184                | 16,385        | 233,415                | 633,173          |
| ii) Furniture and fixtures      | 578,525        | 40,500         | -             | 619,025          | 20%           | 119,976                | -             | 201,111                | 417,914          |
|                                 | <u>971,973</u> | <u>543,640</u> | <u>30,000</u> | <u>1,485,613</u> |               | <u>287,160</u>         | <u>16,385</u> | <u>434,526</u>         | <u>1,051,087</u> |

| Description                     | Cost          |                |          | Rate           | Depreciation  |                        |          | W.D.V<br>June 30, 2021 |                |
|---------------------------------|---------------|----------------|----------|----------------|---------------|------------------------|----------|------------------------|----------------|
|                                 | July 01, 2020 | Addition       | Deletion |                | June 30, 2021 | Charge For<br>the year | Deletion |                        | June 30, 2021  |
| i) IT and Electronic Equipments | 38,665        | 354,783        | -        | 393,448        | 33%           | 81,062                 | -        | 82,615                 | 310,833        |
| ii) Furniture and fixtures      | -             | 578,525        | -        | 578,525        | 20%           | 81,135                 | -        | 81,135                 | 497,390        |
|                                 | <u>38,665</u> | <u>933,308</u> | <u>-</u> | <u>971,973</u> |               | <u>162,197</u>         | <u>-</u> | <u>163,750</u>         | <u>808,223</u> |

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TASKEEN HEALTH INITIATIVE  
(A COMPANY SET UP UNDER SECTION 42 OF THE COMPANIES ACT, 2017)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2022

|   | Note   | 2022<br>(Rupees)  | 2021<br>(Rupees)  |
|---|--|-------------------|-------------------|
| <b>8 Long term prepayment</b>   |  |                   |                   |
| Prepaid IT expense  |  |                   |                   |
| Apportioned into long term  | 8.1  | 27,045            | 50,227            |
| Apportioned into short term   | 8.1  | (23,181)          | (23,182)          |
|   |  | <u>3,864</u>      | <u>27,045</u>     |
| 8.1   | The amount relates to website hosting fee, Rs. 69,454/- for three year, from 27th August 2020 to 26th August 2023. This amount is further apportioned into long term and short term prepayments. |                   |                   |
| <b>9 Advances, deposits and prepayments</b>   | Note   | 2022<br>(Rupees)  | 2021<br>(Rupees)  |
| Prepaid IT expense  | 9.1  | 45,783            | 23,182            |
| Prepaid insurance expense   |  | 95,560            | 55,989            |
| Security deposits   |  | 130,000           | 130,000           |
| Advances to employee  |  | 79,915            | -                 |
|   |  | <u>351,258</u>    | <u>209,171</u>    |
| 9.1   | The amount relates to website hosting fee Rs. 23,181/- (2021:23,182) for the the year and yearly subscription charges amounting to rupees 22,600 from Jan 2022 to Dec 2022 .                     |                   |                   |
| <b>10 Cash and bank balances</b>  |  | 2022<br>(Rupees)  | 2021<br>(Rupees)  |
| Cash in hand  |  | 7,531             | -                 |
| Cash at bank - current account  |  | 4,224,254         | 8,312,286         |
|   |  | <u>4,231,785</u>  | <u>8,312,286</u>  |
| <b>11 Unrestricted fund</b>   |  |                   |                   |
| opening balance   |  | 7,551,156         | 3,626,783         |
| (Deficit)/Surplus for the year  |  | (4,861,348)       | 3,924,373         |
| Members initial contribution  |  | 200,000           | -                 |
|   |  | <u>2,889,808</u>  | <u>7,551,156</u>  |
| <b>12 Creditors, accrued &amp; other liabilities</b>                                      |  |                   |                   |
| Creditors   |  |                   |                   |
| Salary payable  |  | 422,299           | 574,663           |
| PF employer contribution payable  |  | 1,680,900         | 965,333           |
| PF employee contribution payable  |  | 133,284           | 6,750             |
| EOBI payable  |  | 70,017            | -                 |
| Other payable   |  | 21,580            | -                 |
| Audit fee payable   |  | 77,119            | 56,517            |
| Withholding tax payable   |  | 260,000           | 130,000           |
|   |  | 82,987            | 72,306            |
|   |  | <u>2,748,186</u>  | <u>1,805,569</u>  |
| <b>13 Contingencies and Commitments</b>   |  |                   |                   |
| There are no known contingencies and commitments as at June 30, 2022 (June 30, 2021: Nil) |  |                   |                   |
| <b>14 Donation</b>  | Note   | 2022<br>(Rupees)  | 2021<br>(Rupees)  |
| Total donation  |  | 15,218,153        | 21,112,345        |
| Restricted donation   | 14.1   | (523,910)         | (10,250,169)      |
| Unrestricted donation   | 14.2   | <u>14,694,243</u> | <u>10,862,176</u> |
| 14.1  | This represents donations by British Asian Trust (BAT) For Wellness Programs   |                   |                   |

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**TASKEEN HEALTH INITIATIVE**  
**(A COMPANY SET UP UNDER SECTION 42 OF THE COMPANIES ACT, 2017)**  
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|  | <b>Note</b>   | <b>2022<br/>(Rupees)</b> | <b>2021<br/>(Rupees)</b> |
|--|---|--------------------------|--------------------------|
| <b>14.2 Unrestricted Donation</b>                                    |   |                          |                          |
| Overseas donor   | <b>14.2.1</b>   | 1,249,750                | -                        |
| Local donor  | <b>14.2.2</b>   | 13,444,493               | 10,862,176               |
|  |   | <u>14,694,243</u>        | <u>10,862,176</u>        |
| <b>14.2.1</b>  | This represents donations by United for Global Mental Health (UGMH).  |                          |                          |
|  |   |                          |                          |
|  | <b>Note</b>   | <b>2022<br/>(Rupees)</b> | <b>2021<br/>(Rupees)</b> |
| <b>14.2.2 Local donor</b>  |   |                          |                          |
| Donation In Kind   | <b>14.2.2a</b>  | 25,000                   | 260,000                  |
| Donation   | <b>14.2.2b</b>  | 13,943,403               | 10,602,176               |
|  |   | <u>13,968,403</u>        | <u>10,862,176</u>        |
| <b>14.2.2a</b>   | This represents donations by local individuals, groups and companies in the form of assets.                         |                          |                          |
|  |   |                          |                          |
|  | <b>Note</b>   | <b>2022<br/>(Rupees)</b> | <b>2021<br/>(Rupees)</b> |
| <b>14.2.2b Donations by local individuals, groups and companies.</b> |   |                          |                          |
| Shahbaz garments (pvt) Limited                                       |   | 8,778,000                | 4,842,500                |
| The Searle Company (IBL group)                                       |   | 450,000                  | -                        |
| Packages Group   |   | -                        | 1,000,000                |
| Donation from individual donors                                      |   | 4,740,403                | 5,019,676                |
|  |   | <u>13,968,403</u>        | <u>10,862,176</u>        |
| <b>15 Service Income</b>   | <b>15.1</b>   | 247,500                  | 506,000                  |
|  |   | <u>247,500</u>           | <u>506,000</u>           |
| <b>15.1</b>  | This amount represents income earned during the year from different seminars held during the year on mental health. |                          |                          |
|  |   |                          |                          |
|  | <b>Note</b>   | <b>2022<br/>(Rupees)</b> | <b>2021<br/>(Rupees)</b> |
| <b>16 Zakat</b>  |   |                          |                          |
| Overseas donor   | <b>16.1</b>   | 4,908,385                | 10,250,169               |
| Local donor  |   | 600,100                  | 882,850                  |
|  |   | <u>5,508,485</u>         | <u>11,133,019</u>        |
| <b>16.1</b>  | This represents donations by British Asian Trust (BAT) for zakat eligible persons.                                  |                          |                          |
|  |   |                          |                          |
|  | <b>Note</b>   | <b>2022<br/>(Rupees)</b> | <b>2021<br/>(Rupees)</b> |
| <b>17 Expenditure attribute to programs</b>                          |   |                          |                          |
| Unrestricted fund  | <b>17.1</b>   | 17,600,952               | 5,857,608                |
| Restricted fund  | <b>17.2</b>   | 6,032,396                | 11,133,019               |
|  |   | <u>23,633,348</u>        | <u>16,990,627</u>        |

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**TASKEEN HEALTH INITIATIVE**  
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**17.1 Expenditure from Unrestricted fund**

|   |        | 2022<br>(Rupees)  | 2021<br>(Rupees) |
|---|--------|-------------------|------------------|
| Salaries & benefits   | 17.1.1 | 9,773,889         | 2,111,504        |
| Awareness campaigns   | 17.1.2 | 3,607,013         | 249,491          |
| Renovation work   |        | -                 | 450,497          |
| Lead Trainer charges for workshops                                    |        | 56,000            | 258,000          |
| Printing & postage  |        | 124,181           | 83,915           |
| Refreshment expense   |        | 42,215            | 9,658            |
| IT expense  |        | 898,646           | 805,712          |
| Rent  |        | 845,000           | 730,000          |
| Utilities   |        | 280,211           | 299,292          |
| Communication expense   |        | 374,880           | -                |
| Office Running expense  |        | 310,226           | 389,076          |
| Travel expense  |        | 369,298           | 194,433          |
| Insurance expense   |        | 100,254           | 7,477            |
| PF employer contribution expense                                      |        | 393,953           | 78,750           |
| Clinical psychologist consultation/ outsourced mental health services |        | 26,226            | 27,606           |
| EObI employer   |        | 111,800           | -                |
| Depreciation  |        | 287,160           | 162,197          |
|   |        | <u>17,600,952</u> | <u>5,857,608</u> |

**17.2 Expenditure from Restricted fund**

|   |      |                  |                   |
|---|------|------------------|-------------------|
| Salaries & benefits   | 17.1 | 5,403,061        | 5,101,986         |
| Awareness campaigns   |      | -                | 5,124,763         |
| IT expense  |      | 382,586          | 260,729           |
| Office Running expense  |      | 132,954          | 166,747           |
| Clinical psychologist consultation/ outsourced mental health services |      | 113,795          | 519,355           |
|   |      | <u>6,032,396</u> | <u>11,173,579</u> |

**17.1.1 Salaries & Benefits**

|                                    |         |                   |                  |
|------------------------------------|---------|-------------------|------------------|
| Salary & benefits - executives     | 17.1.1a | 5,435,333         | 1,970,000        |
| Salary & benefits - non executives |         | 11,188,206        | 5,978,406        |
|                                    |         | <u>16,623,539</u> | <u>7,948,406</u> |

**17.1.1a**

|                         | .....Amount in Rupees..... |           |                  |                   |           |                  |
|-------------------------|----------------------------|-----------|------------------|-------------------|-----------|------------------|
|                         | 2022                       |           |                  | 2021              |           |                  |
|                         | CEO /<br>Director          | Directors | Executives       | CEO /<br>Director | Directors | Executives       |
| Managerial remuneration | -                          | -         | 5,435,333        | -                 | -         | 1,970,000        |
| Other Benefits          | -                          | -         | 126,300          | -                 | -         | -                |
|                         | -                          | -         | <u>5,561,633</u> | -                 | -         | <u>1,970,000</u> |
|                         | <u>1</u>                   | <u>4</u>  | <u>4</u>         | <u>1</u>          | <u>3</u>  | <u>4</u>         |

No remuneration or other benefits are available to the Chief Executive and Directors of the Company.

|   |         | 2022<br>(Rupees) | 2021<br>(Rupees) |
|---|---------|------------------|------------------|
| <b>17.1.2 Awareness Campaigns</b>                   |         |                  |                  |
| Video production cost                               | 17.1.2a | 2,528,219        | 4,245,237        |
| Facebook promotion, google promotion, other expense |         | 1,078,794        | 1,129,017        |
|   |         | <u>3,607,013</u> | <u>5,374,254</u> |

**17.1.2a** This represents the cost of producing the videos for social media and mass media for mental health promotion campaigns.

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**TASKEEN HEALTH INITIATIVE**  
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|                               |      | 2022<br>(Rupees) | 2021<br>(Rupees) |
|-------------------------------|------|------------------|------------------|
| <b>18 Admin Expense</b>       |      |                  |                  |
| Legal & professional charges  |      | 605,428          | 719,460          |
| Audit remuneration            | 18.1 | 130,000          | 130,000          |
| Salaries & benefits           |      | 1,446,589        | 734,916          |
| Bank charges                  |      | 22,507           | 1,819            |
|                               |      | <u>2,204,524</u> | <u>1,586,195</u> |
| <b>18.1 Audit Fees</b>        |      |                  |                  |
| Audit fee for the year/period |      | 120,000          | 120,000          |
| Out of pocket expenses        |      | 10,000           | 10,000           |
|                               |      | <u>130,000</u>   | <u>130,000</u>   |

**19 Taxation**

19.1 In accordance with the provisions of Section 100 C of the income Tax Ordinance 2001, the income of non-profit organizations, trusts or welfare institutions, shall be allowed a tax credit equal to one hundred percent of the tax payable, including minimum tax and final taxes payable under any of the provision of the Income tax Ordinance 2001, subject to the following conditions, namely:

- (a) return has been filed;
- (b) tax required to be deducted or collected has been deducted or collected and paid;
- (c) withholding tax statements for the immediately preceding tax year have been filed; and
- (d) the administrative and management expenditure does not exceed 15% of the total receipts;"

Provided that clause (d) shall not apply to a non-profit organization, if;

- (a) charitable and welfare activities of the non-profit organization have commenced for the first time within last three years;
- (b) total receipts of the non-profit organization during the tax year are less than one hundred million Rupees."

The entity has not commenced operations for the first time within last three years and total receipts of the entity are not more than one hundred million Rupees. Therefore clause (d) not applicable in this case, The entity complies with the provisions of clause (a) to (c) and is therefore entitled for a tax credit equal to one hundred percent of the tax payable including minimum tax and final taxes payable under any of the provision of the Income Tax Ordinance, 2001.

19.2 Further, sub-section (1A) of section 100 C of the Income Tax Ordinance, 2001 provides that the surplus funds of non-profit organization shall be taxed at a rate of ten percent.

For the purpose of sub-section (1A), surplus funds means funds or monies:

- a) not spent on charitable and welfare activities during the tax year;
- b) received during the tax year as donations, voluntary contributions, subscriptions and other incomes;
- c) which are more than twenty-five percent of the total receipts of the non-profit organization received during the tax year; and
- d) are not part of restricted funds."

For the purpose of this sub-section, "restricted funds" mean any fund received by the organization but could not be spent and treated as revenue during the year due to any obligation placed by the donor.

The entity has not recognized any provision for current or deferred tax in respect of under sub-section (1A) of section 100 C of the Income Tax Ordinance 2001, as there is no surplus during the year .

|  |    | 2022<br>(Rupees) | 2021<br>(Rupees) |
|--|----|------------------|------------------|
| <b>20 Financial Instruments by categories</b>  |    |                  |                  |
| <b>Financial assets at amortized cost</b>      |    |                  |                  |
| Cash and bank balances                         | 10 | 4,231,785        | 8,312,286        |
| <b>Total</b>                                   |    | <u>4,231,785</u> | <u>8,312,286</u> |
| <b>Financial Liabilities at amortized cost</b> |    |                  |                  |
| Creditors, accrued & other liabilities         | 12 | 2,748,186        | 1,805,569        |
| <b>Total</b>                                   |    | <u>2,748,186</u> | <u>1,805,569</u> |

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**TASKEEN HEALTH INITIATIVE**  
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**21 Fair Value of Financial Instruments**

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 entity is of the view that the fair value of the remaining financial assets and liabilities are not significantly different from their carrying values since assets and liabilities are essentially short term in nature.

The entity measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Fair value measurements quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value measurements inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

**21.1 Accounting classifications and fair values**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value:

| <b>30-Jun-22</b>  |             | <b>Carrying amount</b>                               |  |                       |                  | <b>Fair Value</b> |                |                |              |
|---|-------------|--|--|-----------------------|------------------|-------------------|----------------|----------------|--------------|
|   | <b>Note</b> | <b>Fair value through other comprehensive income</b> | <b>Fair value through profit or loss</b> | <b>Amortized Cost</b> | <b>Total</b>     | <b>Level 1</b>    | <b>Level 2</b> | <b>Level 3</b> | <b>Total</b> |
| .....(Rupees).....  |             |  |  |                       |                  |                   |                |                |              |
| <b>Financial Assets - not measured at fair value</b>      |             |  |  |                       |                  |                   |                |                |              |
| Cash and bank balances                                    | 21.1.2      | -  | -  | 4,231,785             | 4,231,785        |                   |                |                |              |
|   |             |  |  | <u>4,231,785</u>      | <u>4,231,785</u> |                   |                |                |              |
| <b>Financial liabilities - not measured at fair value</b> |             |  |  |                       |                  |                   |                |                |              |
| Creditors, accrued & other liabilities                    | 21.1.2      | -  | -  | 2,748,184             | 2,748,184        |                   |                |                |              |
|   |             |  |  | <u>2,748,184</u>      | <u>2,748,184</u> |                   |                |                |              |

| <b>30-Jun-21</b>  |             | <b>Carrying amount</b>                               |  |                       |                  | <b>Fair Value</b> |                |                |              |
|---|-------------|--|--|-----------------------|------------------|-------------------|----------------|----------------|--------------|
|   | <b>Note</b> | <b>Fair value through other comprehensive income</b> | <b>Fair value through profit or loss</b> | <b>Amortized Cost</b> | <b>Total</b>     | <b>Level 1</b>    | <b>Level 2</b> | <b>Level 3</b> | <b>Total</b> |
| .....(Rupees).....  |             |  |  |                       |                  |                   |                |                |              |
| <b>Financial Assets - not measured at fair value</b>      |             |  |  |                       |                  |                   |                |                |              |
| Cash and bank balances                                    | 21.1.2      | -  | -  | 8,312,286             | 8,312,286        |                   |                |                |              |
|   |             |  |  | <u>8,312,286</u>      | <u>8,312,286</u> |                   |                |                |              |
| <b>Financial liabilities - not measured at fair value</b> |             |  |  |                       |                  |                   |                |                |              |
| Creditors, accrued & other liabilities                    | 21.1.2      | -  | -  | 1,805,569             | 1,805,569        |                   |                |                |              |
|   |             |  |  | <u>1,805,569</u>      | <u>1,805,569</u> |                   |                |                |              |

21.1.2 The entity has not disclosed fair values for these financial assets and financial liabilities as their carrying amounts are reasonable approximation of the fair value.

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**22 Related Parties Transaction**

Related parties comprise companies with common directorship, directors and key management personnel. Nature and description of transaction with related parties during the period along with monetary values are as follows:

| Party Name        | Relationship  | Nature of Transaction                   | 2022<br>(Rupees) | 2021<br>(Rupees) |
|-------------------|---|---|------------------|------------------|
| Mr. Irfan Mustafa | Key Management Personnel                                | Opening balance                         | -                | -                |
|                   |   | Donation received                       | 2,500,000        | 2,000,000        |
|                   |   | <b>Receivable/(Payable) at year end</b> | -                | -                |
| Mr. Taha Sabri    | Key Management Personnel                                | Opening balance                         | -                | -                |
|                   |   | Donation received                       | 25,000           | -                |
|                   |   | Expenses incurred                       | 1,579,700        | 1,459,704        |
|                   |   | Expenses reimbursement                  | 1,531,108        | 1,442,144        |
|                   |   | <b>Receivable/(Payable) at year end</b> | (48,592)         | (17,560)         |
| Packages group    | Associated undertaking by virtue of common directorship | Opening balance                         | -                | -                |
|                   |   | Donation received                       | -                | 1,000,000        |
|                   |   | <b>Receivable/(Payable) at year end</b> | -                | -                |

**23 Corresponding figures**

Last year expenses were classified in Statement of Income and Expenditure by object. In current year expenses have been classified by programs and this change has been applied retrospectively and prior year presentation has been changed accordingly. Figures have been rounded off to the nearest rupee.

**24 Number of employees**

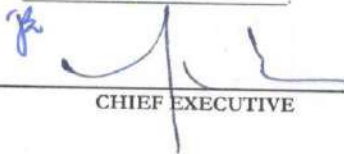
Average number of employees for the period  
 Number of employees at the period end

|  | 2022      | 2021      |
|--|-----------|-----------|
| Average number of employees for the period | <u>19</u> | <u>15</u> |
| Number of employees at the period end      | <u>23</u> | <u>17</u> |

**25 Date of authorization for issue**

These financial statements have been authorized for issue by the board of directors of the Company on

**26 JAN 2023**

  
 CHIEF EXECUTIVE

  
 DIRECTOR