



ARTHRITIS CARE FOUNDATION

Annual Progress Report 2019-2020

www.arthritiscare.org.pk

ORGANIZATIONAL OVERVIEW

BACKGROUND

The founders of ACF started community services in Pakistan in 1998, with the establishment of Rheumatology Clinics at Akhtar Mubarak Referral Centre, Lahore, in collaboration with AFJOG and Fatima Memorial Hospital. These services were expanded to collaborate with the Health project of Behbud Association, Lahore, in 2005. These facilities provided free consultations, subsidized/free diagnostics, medications, physiotherapy and/or rehabilitation to indigent or less privileged arthritis patients. Arthritis Care Foundation was formally registered in 2010 as a step towards expanding and maximizing these services to deserving patients of rheumatic diseases requiring financial assistance.

MISSION

To establish, encourage, assist and support, Medical, Social Welfare and Educational activities, pertaining to deserving or under privileged patients, both adult and children with arthritis and other related rheumatic diseases, regardless of their gender, religion, caste, or colour, and without prejudice to the generality of the aforesaid.

OBJECTIVES

- To assist non-paying patients with diagnostic tests as well as with treatment including consultations, laboratory test, radiology, medicines and latest Biologic agents;
- To provide latest treatments, which are highly effective but expensive e. g. Biologic therapies;
- To establish an endowment fund for providing scholarships to trainees in Rheumatology, where by addressing the critical shortage of qualified rheumatologists in the country;
- To facilitate joint replacement for deserving arthritic patients, both children and adults;
- To establish a comprehensive physician, patient and public awareness program, through seminars and disease information booklets;
- To establish patient support groups
- To establish the first Institute of Rheumatic Diseases in Pakistan: for patient care, training and research; and collaborate with other organizations for this purpose.

BOARD OF TRUSTEES

PROF. NIGHAT MIR AHMAD, MD

FOUNDER TRUSTEE & CHAIRPERSON

MBBS, FACP, MACR

Diplomate American Board of Rheumatology

Diplomate of American Board of Internal Medicine

Consultant Rheumatologist & Physician

Chair, Department of Rheumatology

National Hospital & Medical Center, Lahore

Faculty University of Health Sciences

Adjunct Faculty, Fatima Jinnah Medical University, Lahore

PROF. SUMAIRA FARMAN RAJA

FOUNDER TRUSTEE & CO-CHAIRPERSON

MBBS, FRCP, FACP, FACR,

SCE Rheumatology (UK), CCD

Graduate Certificate Paediatric Rheumatology (Australia)

Consultant Rheumatologist & Physician

Head Department of Rheumatology

National Hospital & Medical Centre, Lahore

Adjunct Faculty, Fatima Jinnah Medical University, Lahore

PROF. MUHAMMAD AHMED SAEED

FOUNDER BOARD MEMBER, CO-CHAIR & GENERAL SECRETARY

MBBS, FCPS Internal Medicine,

FCPS Rheumatology, FACP, FACR

Consultant Rheumatologist & Physician

Professor and Head Institute of Rheumatic Diseases,

Central Park Medical College Lahore

Visiting Faculty of Rheumatology, National Hospital and Medical Centre, Lahore

Adjunct Faculty, Fatima Jinnah Medical University, Lahore

MS. SAMINA SULTANA

TREASURER

BA, LLB

Managing Partner, Alliance Education Management Services

PROF. TASNIM A. RAZA

MBBS, M.Phil Anatomy (Pb)
Director Health Project, Behbud, Lahore

MR. FARID AHSANUDDIN

Chief Executive Officer
Engineering Corporation (Pvt) Ltd.

MS. ANJUM AHMED

Chief Executive Officer
Learning Alliance (Pvt) Ltd

DR. COL. TAUSEEF IRFAN

MBBS, MRCGP
Consultant Family Physician

DR. SHABNUM SARFRAZ

MBBS, MBA, Harvard Global Health LEAD Fellow
Member Social Sector & Devolution
Ministry of Planning, Development & Reform
Planning Commission
Government of Pakistan

MS. LAILA NUSRAT

Chairperson
Bali Memorial Trust

MS. UZMA AHMAD

LLM (USA), LLB (PU)
Legal Consultant (Corporate Governance)

MR. ASSAD AHMAD

BA Economics (Yale University, USA)
Principal/Senior Executive Officer
Frere Hall Capital Management (UAE)

ARTHRITIS CARE FOUNDATION

HIGHLIGHTS

Arthritis Care Foundation (ACF) with the support of donations from respectable individuals and corporate organizations, has been able to provide consultation and treatment, both free & subsidized, hence preventing disability and relieving suffering of patients with arthritis and other auto-immune diseases.

- Since inception in 2010, ACF has spent more than **Rs. 201 Million** mainly on its core health related projects, which include free & subsidized medications, biologics, as well as facilitation of diagnostics plus provision of scholarships to Post Graduate (PG) trainees in the field of Rheumatology.
- Since 2010, Medications worth **Rs. 75 Million** were provided to sick patients, who otherwise would have become disabled due to uncontrolled arthritis or, in some cases, developed renal failure due to uncontrolled disease. During last Financial Year, **Rs. 13,103,131/-** worth of medications were consumed.
- ACF during the last financial year provided Biologics worth **Rs. 5,076,459/-**, which is an expensive treatment for patients whose arthritis does not respond to conventional medicines. Since inception total of **Rs. 41 Million** were spent on procurement of Biologics.
- Diagnostics/Medical tests worth **Rs. 10 Million** were facilitated for timely diagnosis and monitoring of treatment since ACF inception.
- Apart from patient care, supporting rheumatology fellowship training program is one of the main objectives of ACF. Since inception, ACF has spent **Rs. 25 Million** of scholarship funding of post graduate trainees in the field of Rheumatology.
- For patients with advanced Osteoarthritis and Rheumatoid Arthritis with irreversible damage to joints, joint replacements are the only option left. ACF has been sponsoring joint replacements of deserving patients since its inception. A single hip replacement costs around Rs. 250,000 to Rs. 300,000 and bilateral knee replacement costs more than Rs. 500,000. So far total of **Rs. 4 Million** has been spent on joint replacements/implants of indigent patients.

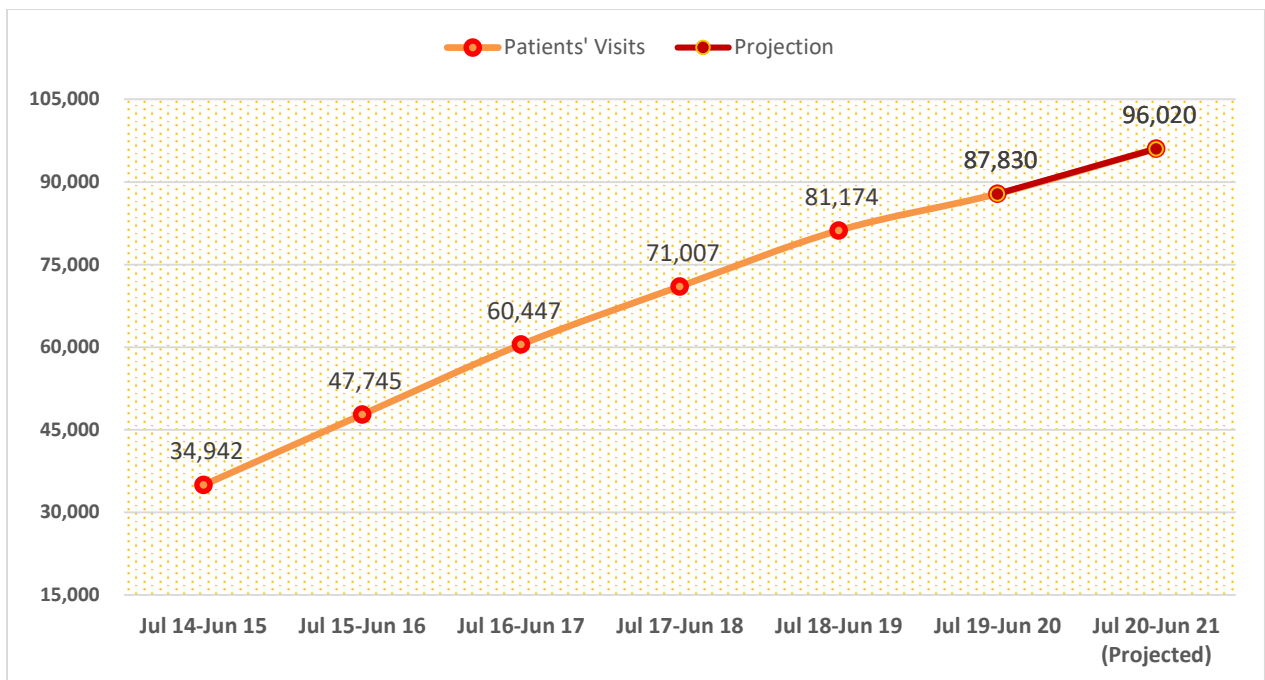
ARTHRITIS CARE FOUNDATION

ACTIVITY REPORT FOR FY 2019-2020

TREND OF PATIENT TURNOVER AT ACF SUPPORTED CLINICS

During financial year 2019-20, a total of 6,656 under privileged patients' visits were accommodated at various ACF supported clinics.

FIGURE 1: TREND OF PATIENTS' VISITS (ACCUMULATED) IN ALL ACF-FUNDED CLINICS



ACF as a registered trust started working for the welfare of patients with rheumatic diseases in Pakistan in 2010. At the time of ACF's inception three founding members started volunteer services and provided state of the art free care to less privileged patients.

As of today, seven volunteer rheumatologists and eight doctors on ACF's payroll are providing free & subsidized services at ACF Clinic Shadman and ACF co-opted clinics at Akhtar Mubarak, Behbud Association & Gulab Devi Teaching Hospital accommodating thousands of indigent patients with arthritis and autoimmune diseases.

	July 2019 To June 2020	July 2020 To Dec 2020
ACF Behbud Collaborative Rheumatology Clinic	1,778	680
ACF AFJOG Collaborative Rheumatology Clinic	2,463	686
ACF Charity Clinics (676 Shadman)	113	379
ACF patients admitted at NH&MC	58	23
ACF patients referred to Gulab Devi Hospital	-	528
ACF Dispensary <i>(Medications of referred patients)</i>	2,244	980
TOTAL	6,656	3,276

Dedicated rooms had been acquired on rental basis at ACF Shadman for charity clinics. Three days per week clinics are being conducted by qualified rheumatologists i.e. Dr. Saira Khan and Dr. Rafaqat Hameed. Deserving patients are not only getting free or subsidized consultations but also get free medications through ACF dispensary.

ACF SERVICES

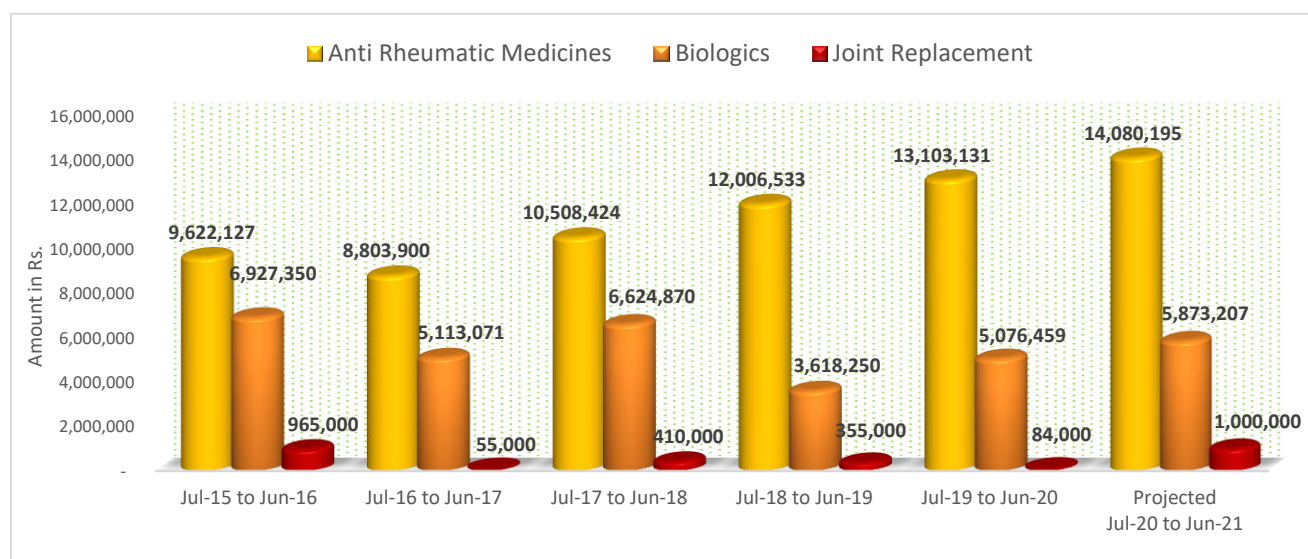
ACF services are listed as below:

1. Conventional Disease Modifying Medications, Diagnostics and Rehabilitation
2. Biologics (Rituximab, Etanercept, Tocilizumab)
3. Joint Replacements Facilitation
4. Expensive Medications for Lupus (SLE) Patients (Mycophenolate Mofetil)
5. Scholarship(s) for Rheumatology Trainee (s)/Fellow(s)
6. Health Awareness Campaigns
7. Printing of Patient Educational Brochures/Newsletters

EXPENDITURE ON MEDICATIONS FUNDED BY ACF

Arthritis patients are first started on conventional disease controlling medications. The average cost for the first line medications ranges from Rs. 15,000 to 80,000 per month.

FIGURE 2 : EXPENDITURE TRENDS; HEALTH PROJECTS



During FY from July-19 to June-20, the cost of medicines consumed for treating of patients with various rheumatic diseases was **Rs. 13,103,131/-**. The spending is **9%** more than as compared to last year expenditure on medication i.e. **Rs. 12,006,533/-**, for same period.

Out of above, **Rs. 6,569,951/-** were spent on procurement of Mycophenolate Mofetil (MMF) for young lupus nephritis patients who otherwise would have developed renal failure due to uncontrolled disease and would have needed dialysis. The spending on MMF medication in FY 19-20 reflects **50%** of total medicine consumption for the year.

IMPLANTS / JOINT REPLACEMENT

During the year ended 30th June 2020, total expenditures on Implants/Joint replacement category was Rs. 84,000.

REHABILITATION EQUIPMENT

Every year ACF spent a handful amount on provision of rehabilitation equipment to indigent patients. These equipment includes walkers, crutches, rollators, canes as well as manual and electric wheelchairs. Through this facilitation ACF tries to fulfil its aim of encouraging patients to become an independent member of the society.

BIOLOGICS

Patients not getting better with first line medicines have to use Biologics to prevent disability & therefore prevent need for Joint Replacement. Therefore in addition to a huge clinical benefit, there is significant health and economic impact as well. Though, these are very expensive medicines. Total of **Rs. 5,076,459/-** was expensed during July 2019 to June 2020 on provision of costly Biologics showing an increase of **40%** as compared to previous year spending i.e. **Rs. 3,618,250/-**.

ACF team is not only providing facilitation to patients but also channelizing the deserving patients to Pakistan Bait-ul-Mal; liaising with patient support programs initiated by some pharmaceutical firms.

Two of the ACF team members are currently working in public sector hospitals; one at Mayo Hospital and other one at Sir Gangaram Hospital Lahore, have been mainly facilitating these deserving ACF referred patients.

EDUCATION AND RESEARCH ACTIVITIES

Arthritis Care Foundation, in collaboration with Royal Society of Medicine (RSM) UK and Royal College of Physicians (RCP) UK; organized a three-day (18th to 20th December 2019) educational program “Global Rheumatology Educational Initiative” in Lahore. The renowned speakers were Prof. Dr. Ali S. M. Jawad (Vice President Global, RCP), Prof. Dr. John Axford (Honorary Secretary, RSM) and Dr. Maaz Ali Abbasi (Consultant Radiologist, University College London Hospitals NHS Foundation Trust, UK).

The educational initiative was organized in Services Institute of Medical Sciences (SIMS) Lahore, University of Health Sciences (UHS) Lahore and Fatimah Jinnah Medical University (FJMU) Lahore, respectively. The second day of the event at UHS, was mainly for family physicians and scientific program was drafted as per their needs.

The event was very well received and attended by the participants including Rheumatologists, Fellows in training, Internists and Post Graduate Trainees of Medicine along with Medical students. The educational initiative provided an excellent opportunity of learning, training and development for the participants through state of art lectures, group discussions, case presentations and workshops.

Panel discussions to improve teaching, training and research in Rheumatology in a developing country like us, were conducted by Prof. Nighat Mir Ahmed MD, Prof. Dr. Sumaira Farman Raja and Dr. Muhammad Ahmed Saeed, together with Prof. Dr. Javed Akram (VC, UHS), Prof. Dr. Khalid Masood Gondal T.I (VC, KEMU), Prof. Dr. Amer Zaman Khan (VC, FJMU), Prof. Dr. Mahmood Ayaz (Principal, SIMS) during this conference.



PROF. DR. ALI JAWAD



PROF. DR. JOHN AXFORD



DR. MAAZ ALI ABBASI



ACF ACTIVITIES DURING CORONA PANDEMIC

Personal Protective Equipment (PPE): In the trying times of the Corona Pandemic, Pakistan, along with the rest of the world, is desperately trying to minimize loss of lives. Arthritis Care Foundation with the help of ACF Friends and likeminded people raised funds and tried to facilitate this endeavor by providing free of cost Personal Protective Equipment (PPE) Hazmat Suits to Doctors, Nurses and Paramedical staff, largely working in Public and Trust sector Hospitals.

These suits were not only delivered to hospitals in Lahore including Mayo Hospital, Services Hospital, Ganga Ram Hospital, Jinnah Hospital, Gulab Devi Teaching Hospital and National Hospital & Medical Centre; but also to DHQ Sargodha, DHQ Okara, DHQ Bajour KPK and Fatima Jinnah Chest Hospital Quetta Balochistan.

Provision of Medications: Initially in March 2020 when the lockdown started, the management of ACF came to know that patients were not having any access to medications. ACF team decided to facilitate these less privileged patients to maximum extent. Therefore, a dedicated ACF helpline (Mobile Number) was established to facilitate patients and to sort out their problems in time. Notices of helpline were posted outside ACF collaborative clinics so that patients could contact for their problems. The helpline was managed by Dr. Tauseef Irfan along with Dr. Ghazala Mukhtar. Consultant Rheumatologists; Dr. Saira Khan and Dr. Rafaqat Hameed had been engaged for the consultations for patients' medical issues, whenever required. The response was overwhelming. During the span of 6 months, around 1000 phone calls were attended. ACF dispensary remain opened during the period with all SOPs observed and in placed. During April-20 to June-20, Rs. 2.1 million worth of medications were disbursed to less privileged patients who were not having access to expensive medications.

Handbooks for Patients and Public: Dr. Shabnam Sarfraz and Dr. Saira Khan lead the teams in developing very useful handbooks for home isolation of corona positive patients, in the light of guidelines of WHO, CDC and with collaboration of leading public health experts in the field. The handbooks were developed in both English and Urdu Languages. People didn't know anything about home isolation and dealing with COVID positive patient at home, so these handbooks received overwhelming response and facilitated general public for the homecare activities.

Educational and Awareness Activities: Various educational activities were also conducted from the forum of ACF in collaboration of a leading national pharmaceutical company. Initially live webinars were done by Prof. Nighat Mir Ahmad for rheumatic diseases patients and by Prof. Sumaira Farman Raja with perspective of children with rheumatic diseases. These webinars were very well accepted with viewership in thousands.

Dr. Muhammad Ahmed Saeed started awareness program for rheumatic disease patients through video clips on Youtube channel and ACF Facebook page. Dr. Ahmed Saeed along with Dr. Hina Ahmad also conducted an 'Online Survey: COVID-19 Preventive Measures', which was later published in Biomedica; a renowned journal of University of Health Sciences.

ACF RESEARCH ACTIVITIES

In year 2020, ACF had taken lead for expanding research activities in collaboration with Fatima Jinnah Medical University (FJMU) and National Institute of Health (NIH) USA. The research would mainly encompass the areas of Pathogenesis and Genetics of lupus as well as Natural history of Lupus

In order to strengthen and oversee research activities, Institutional Review Board (IRB) of ACF was formed, including respected dignities; Dr. Aisha Lateef (Chief, Department of Medicine, Woodlands Health Campus Singapore) and Dr. Sarfraz Hasni (Director Lupus Clinical Research, NIAMSD National Institutes of Health, USA) as International Patrons and Scientific Members of ACF IRB. This initiative from the forum of ACF for expanding its research activities would become part of Global Musculoskeletal Alliance.

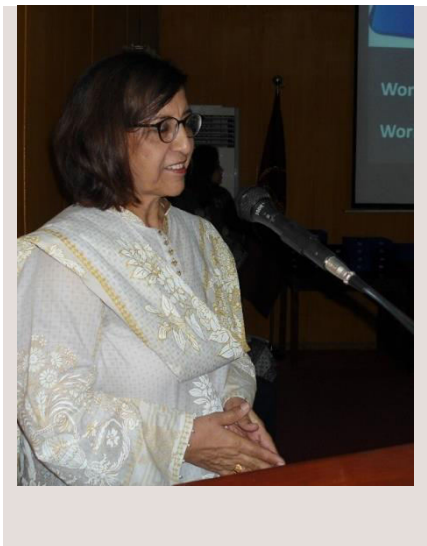
Under the supervision of Dr. Ahmed Saeed, ACF team conducted a community survey of around 5000 subjects in Nain-Sukh, a semi urban area in suburb of Lahore, through a grant from WHO-ILAR. The main purpose of the study was to determine the prevalence of rheumatic diseases in the community. The final results of the study were published in 'International Journal of Rheumatic Diseases' in November 2020.

Public Awareness Programs/walks and Printing of Brochures/Newsletters

ACF holds frequent public awareness activities including organizing educational seminars & walks and prints brochures on various rheumatic diseases and newsletters for patients & general public. During previous years, ACF team organized various educational/awareness seminars and walks in collaboration with Department of Medicine, Fatima Jinnah Medical University, Lahore. This is part of ACF commitment towards public awareness about these diseases.



PUBLIC AWARENESS SEMINAR & WALK IN CONNECTION WITH 'WORLD ARTHRITIS DAY' IN COLLABOTATION WITH DEPARTMENT OF MEDICNE, FATIMA JINNAH MEDICAL UNIVERSITY, OCTOBER 2019



VETERAN ACTRESS "MS. SAMINA PEERZADA", VISITED ACF COLLABORATIVE CHARITY CLINIC AT AFJOG HOUSE, LAHORE. SHE MET PATIENTS AND ADMIRED EFFORTS OF ACF TEAM.



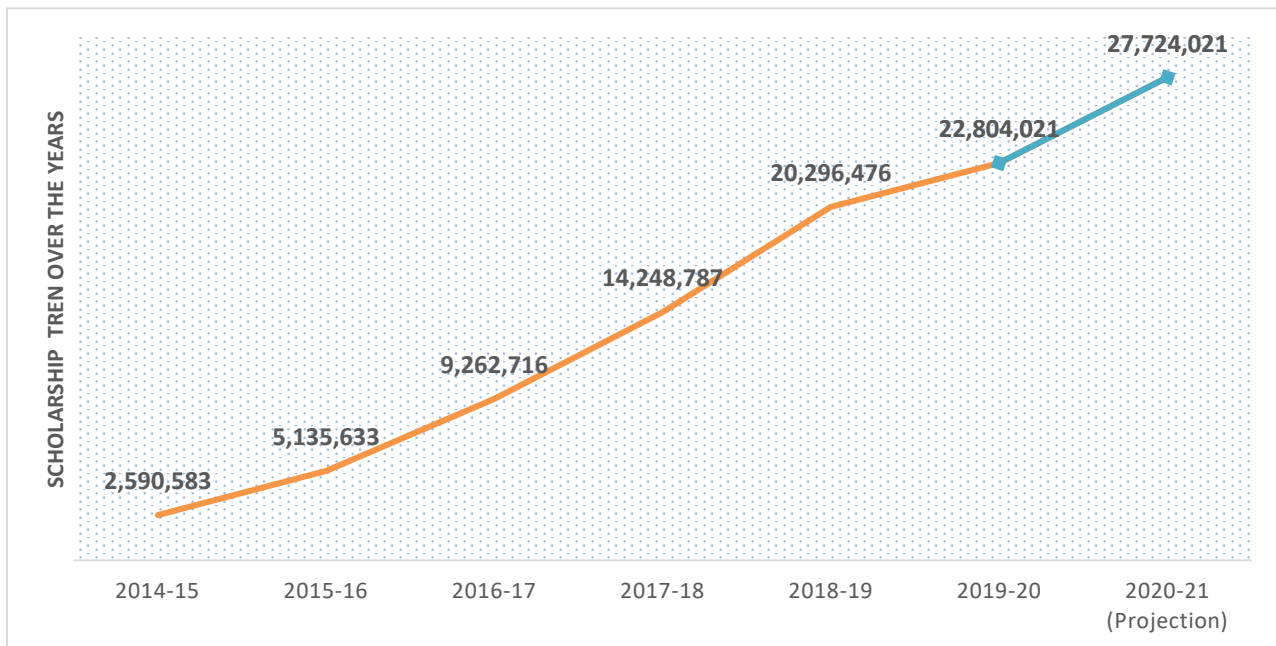
SCHOLARSHIP FOR RHEUMATOLOGY TRAINEES/FELLOWS

During FY 2019-20, ACF provided Four (4) scholarships for Post Graduate training worth **Rs. 2,507,545/-**. The projected spending on scholarships in the financial year 2020-2021 is around Rs. 5 million.

So far 19 rheumatologists have fully or partially been trained through ACF scholarship program, which covers 50% of total practicing Rheumatologists in Punjab. Six of alumni have pioneered Rheumatology services at public and private hospitals in Lahore including Mayo Hospital, Sir GangaRam Hospital and Jinnah Hospital; setting up the first Rheumatology services in Punjab Govt. sector.

Two have started the first ever Rheumatology services in southern Punjab i.e. Multan. Kindly note, patients from these cities and their remote catchment areas previously had to travel to Lahore for getting expert advice.

FIGURE 3: "ACCUMULATED" TREND OF SCHOLARSHIP FUNDS FOR POST-GRADUATES



RESOURCE MOBILIZATION

Through charity drives during the year, ACF collected Rs. 12,794,926/- through Zakat. We are grateful to our donors for support and assistance, which is always utilized with the utmost care. List of our corporate donors is also growing.



ACF SUPPORTERS

- ❖ INFAQ Foundation
- ❖ Learning Alliance Pvt. Ltd
- ❖ I-Care Foundation
- ❖ Zaman Foundation
- ❖ Ashai Support Program
- ❖ Siddiq Shafi Trust
- ❖ Askari Cement Ltd.
- ❖ MCB Islamic Bank Ltd
- ❖ Gloves N Gloves, Lahore
- ❖ Jamal Rug Weavers Pvt. Ltd
- ❖ WAK Group (Wak Gas)
- ❖ Rafi Group
- ❖ Pakistan State Oil (PSO)
- ❖ Convent of Jesus & Mary
- ❖ Interwood Mobel Pvt. Ltd.
- ❖ Tabba Foundation
- ❖ M. Khawaja Sports Pvt. Ltd
- ❖ National Bank of Pakistan
- ❖ Al-Hamd Corporation
- ❖ Welfare Network
- ❖ Hope Uplift Foundation
- ❖ Murree Brewery
- ❖ Systems Limited
- ❖ Waheed Sons
- ❖ Siddiqsons Limited
- ❖ Sitara Chicks Layer Farm
- ❖ Shafisons Engineering Pvt Ltd
- ❖ Fatima Latif Welfare Trust
- ❖ White Pearl Rice Mills Ltd.
- ❖ Pakistan Flour Mills Association
- ❖ Al-Razi Healthcare Pvt. Ltd.
- ❖ Chughtai Lab Pvt. Ltd.
- ❖ Chaudhry Nasrullah Family Trust
- ❖ Horizon Logistics & Safety

PHARMACEUTICAL SPONSORSHIPS

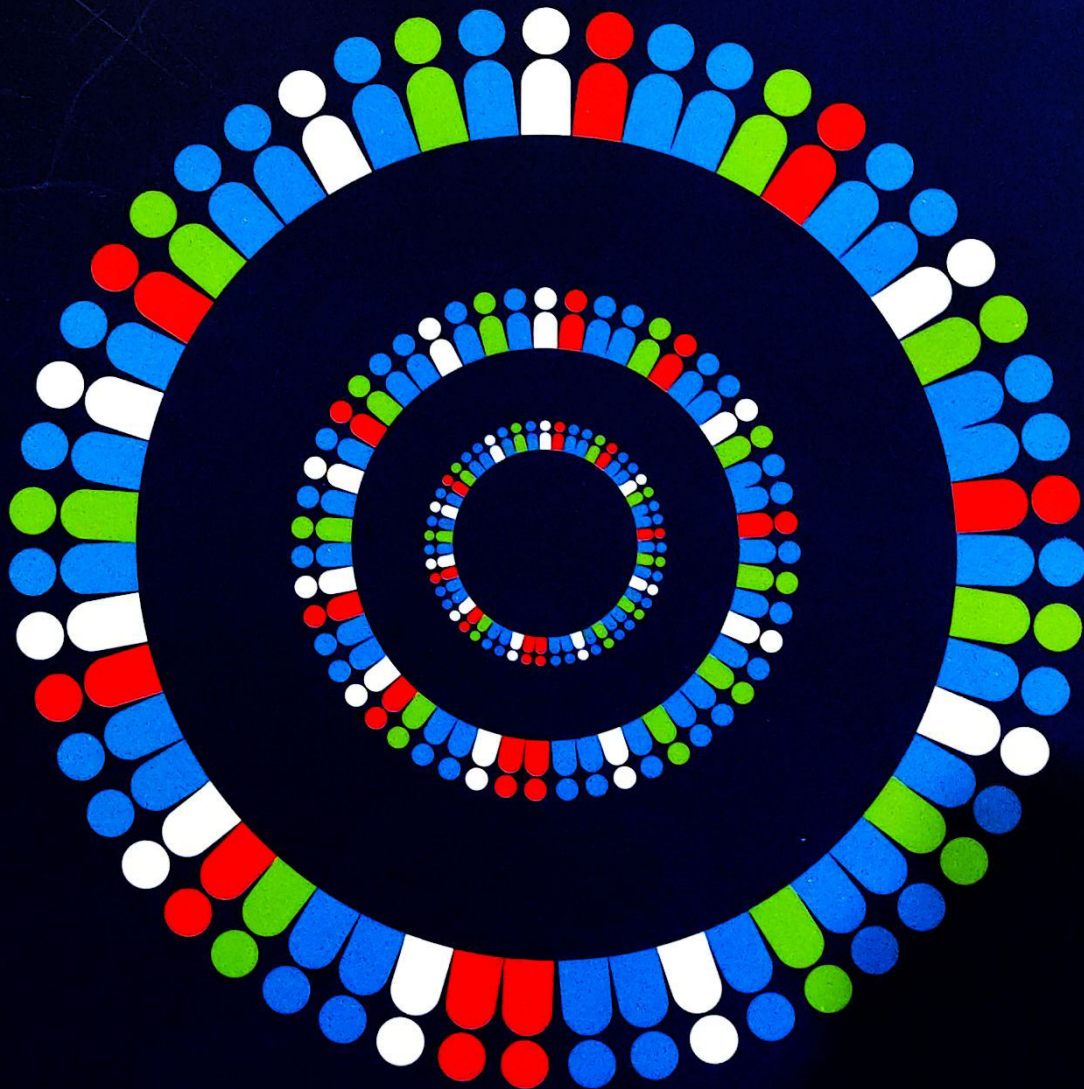
- ❖ Novartis Pharma Pakistan
- ❖ Pfizer Pakistan
- ❖ Macter Pharma
- ❖ Getz Pharma
- ❖ Roche Pakistan
- ❖ Medlife Pharma
- ❖ Cell Laboratories
- ❖ Aster Life Sciences
- ❖ ATCO Pharma

AUDIT REPORT
Arthritis Care Foundation
2019-2020

ARTHRITIS CARE FOUNDATION (TRUST)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2020



INDEPENDENT AUDITORS' REPORT TO THE BOARD OF TRUSTEES

Opinion

We have audited the financial statements of **Arthritis Care Foundation (the Trust)**, which comprise the statement of financial position as at **June 30, 2020**, and the income and expenditure account, statement of changes in fund, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the **Trust** as at **June 30, 2020** and its financial performance and its cash flows for the year then ended in accordance with Accounting Standard for Not for Profit Organisations (NPOs) issued by ICAP.

Basis for Opinion

We conducted our audit in accordance with the 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 Trust in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional accountant 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.

Responsibilities of Management and Those charged with Governance for the Financial Statements

The Trustees are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by Institute of Chartered Accountants of Pakistan, and for such internal control as the Board of Trustees 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, Trustees are responsible for assessing the Trust'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 Trust or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Trust'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 Trust'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 the events or conditions that may cast significant doubt on the Trust'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 Trust 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 those charged with governance 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.

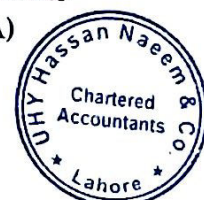
Date: 29 January 2021

Place: Lahore


UHY Hassan Naeem & Co.

Chartered Accountants


Ibne Hassan (FCA)

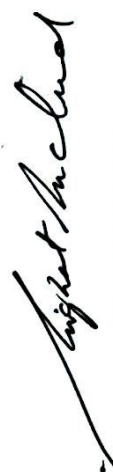


Arthritis Care Foundation
Statement of Financial Position
As at June 30, 2020.

FUNDS AND LIABILITIES	2020 Rupees	2019 Rupees	ASSETS	Note	2020 Rupees	2019 Rupees
Funds			Non-current assets			
Accumulated surplus - unrestricted	27,381,718	21,522,198	Equipment	7	332,535	280,674
Reserve fund	640,882	640,882	Intangible	8	21,000	31,500
Deferred grant - income based	99,754	99,754				
	<u>28,122,354</u>	<u>22,262,834</u>			<u>353,535</u>	<u>312,174</u>
Current liabilities			Current assets			
Accrued and other liabilities	5	30,948	Short term investments	9	6,543,162	6,543,162
			Advance, deposit and other receivables	10	394,875	194,483
			Stocks	11	1,682,630	846,062
			Cash and bank balance	12	19,179,100	14,382,331
					<u>27,799,767</u>	<u>21,966,038</u>
Contingencies and commitments	6					
					<u>28,153,302</u>	<u>22,278,212</u>

The annexed notes 1 to 23 form an integral part of these financial statements.



Farima Sultan
Finance Secretary



Chairperson

Arthritis Care Foundation
Income and Expenditure Account
For the year ended June 30, 2020

	Note	Restricted fund	Un-restricted fund	2020 Total	2019 Total
------(Rupees)-----					
INCOME					
Donations	13	6,000,000	33,618,257	39,618,257	31,255,054
Interest income	14	-	1,147,767	1,147,767	422,974
		6,000,000	34,766,024	40,766,024	31,678,028
EXPENDITURE					
Expenses on health projects	15	6,000,000	16,507,842	22,507,842	18,756,447
Expenses on scholarships	16	-	2,507,545	2,507,545	6,047,689
Administrative expenses	17	-	4,620,736	4,620,736	3,258,547
Procurement of PPEs			3,799,220	3,799,220	-
Education and Research			1,463,340	1,463,340	-
Finance cost		-	7,821	7,821	7,124
		6,000,000	28,906,504	34,906,504	28,069,807
Surplus of income over expenditure before taxation		-	5,859,520	5,859,520	3,608,221
Taxation	18	-	-	-	-
Surplus of income over expenditure after taxation		-	5,859,520	5,859,520	3,608,221

The annexed notes 1 to 23 form an integral part of these financial statements.



Finance Secretary


Chairperson

Arthritis Care Foundation
Statement of Changes in Accumulated Funds
For the year ended June 30, 2020

Particulars	Unrestricted fund	Reserve fund	Deferred grant income based	Total
	-----Rupces-----			
Balance as on July 01, 2018	17,913,977	640,882	55,145	18,610,004
Grant/donation received during the year	24,019,327	-	7,703,310	31,722,637
Transferred from income and expenditure account	(20,411,106)	-	(7,658,701)	(28,069,807)
Surplus for the year	3,608,221	-	44,609	3,652,830
Balance as on June 30, 2019	<u>21,522,198</u>	<u>640,882</u>	<u>99,754</u>	<u>22,262,834</u>
Balance as on July 01, 2019	21,522,198	640,882	99,754	22,262,834
Grant/donation received during the year	34,766,024	-	6,000,000	40,766,024
Transferred from income and expenditure account	(28,906,504)	-	(6,000,000)	(34,906,504)
Surplus for the year	5,859,520	-	-	5,859,520
Balance as on June 30, 2020	<u>27,381,718</u>	<u>640,882</u>	<u>99,754</u>	<u>28,122,354</u>

The annexed notes 1 to 23 form an integral part of these financial statements.



Finance Secretary



Chairperson

Arthritis Care Foundation

Statement of Cash Flows

For the year ended June 30, 2020

	Note	2020 Rupees	2019 Rupees
Cash flow from operating activities		5,859,520	3,608,221
Adjustments for non cash items:			
Depreciation	7	33,779	29,457
Amortization	8	10,500	10,500
Finance cost		7,821	7,124
		<u>52,100</u>	<u>47,081</u>
Operating cash flows before working capital changes		5,911,620	3,655,302
Working capital changes:			
(Decrease)/Increase in accrued and other liabilities		15,570	(11,953)
Increase in advance, deposit and other receivables		(200,392)	60,896
Increase/decrease in stocks		(836,568)	480,789
		<u>(1,021,390)</u>	<u>529,732</u>
Cash generated from operations		4,890,230	4,185,034
Finance cost paid		(7,821)	(7,124)
Net cash generated from operating activities		4,882,409	4,177,910
Cash flows from investing activities			
Purchase of equipment		(85,640)	(104,600)
Net cash flow from investing activities		(85,640)	(104,600)
Cash flows from financing activities			
Grant received - net		-	44,609
Net cash generated from financing activities		-	44,609
Net increase in cash and cash equivalents		4,796,769	4,117,919
Cash and cash equivalents at the beginning of the year		20,925,493	16,807,574
Cash and cash equivalents at the end of the year	19	25,722,262	20,925,493

The annexed notes 1 to 23 form an integral part of these financial statements.



Finance Secretary



Chairperson

1 Legal status, nature of business

Entity and its operations

Arthritis Care Foundation ('The Trust') is a charitable society registered on July 27, 2010 under the laws of Societies Registration Act XXI of 1860. The registered office is situated at 711-Shadman-1, Lahore. The Trust was setup with an objective to establish, encourage, assist and finance medical, social welfare and educational activities, of patients suffering from arthritis, rheumatic and other diseases.

2 Basis of preparation

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The approved accounting and reporting standards applicable in Pakistan comprise of: Accounting Standard for Not for Profit Organizations (Accounting Standard for NPOs) issued by the Institute of Chartered Accountants of Pakistan.

2.2 Basis of accounting

These financial statements have been prepared under the accrual basis of accounting except for cash flow information.

2.3 Critical accounting estimates and judgments

The preparation of financial statements in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, receipts and expenditures. The estimates and associated assumptions and judgments 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 judgments 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 ongoing basis. Revision to 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 society's financial statements or where judgments were exercised in application of accounting policies are:

	<i>Note</i>
a) residual values and useful lives of equipment	3.1
b) provisions and contingencies	3.4

2.4 Basis of measurement

These financial statements have been prepared under the historical cost convention except as otherwise disclosed in the respective accounting policy notes.

2.5 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Trust operates. The financial statements are presented in Pakistani Rupees, which is also the functional currency.

3 Significant accounting policies

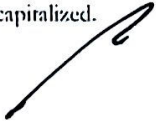
These accounting policies set out below have been applied consistently to all periods presented in these financial statements.

3.1 Equipment

Equipment is stated at cost less accumulated depreciation. Depreciation is charged on an asset from the month when the asset is available for use till the month of its disposal i.e. full depreciation is charged in the month of addition, while no depreciation in the month of disposal.

Depreciation is charged on reducing balance method at the rates specified in Note 7.

Normal repair and maintenance is charged to Income and expenditure account as and when incurred, while major renewal and replacements are capitalized.



Arthritis Care Foundation
Notes to the Financial Statements
For the year ended June 30, 2020

3.2 Intangible asset

These are stated at cost less accumulated amortization and any accumulated impairment losses. Intangible assets are amortized on a straight line basis at the rate given in the Note 8 to the financial statements so as to write off the depreciable amount of an asset over its useful life.

Amortization on additions to intangible assets is charged from the month in which an asset is acquired while no amortization is charged for the month in which asset is disposed off.

3.3 Stocks

These are stated at lower of cost and net realizable value. Cost is determined principally on First in First Out (FIFO) basis. Net realizable value signifies the estimated selling price in the ordinary course of business less costs necessary to be incurred for sale.

3.4 Provision and contingencies

Provisions are recognized when the Arthritis Care Foundation has a legal and constructive obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation and the realizable estimate of the amount can be made.

3.5 Taxation

Arthritis Care Foundation has been approved as a Non-Profit Organization under section 2(36) of the Income Tax Ordinance, 2001.

3.6 Funds

Restricted Funds

This fund represents donations received by the Trust for the treatment of patients who require biologics vaccines and for scholarships of doctors.

Unrestricted funds

Grants and donations not restricted for a specific purpose or fund are credited to this fund upon receipt.

3.7 Interest Income

Interest income on deposits with banks is recognized on time proportion basis taking into account the amounts outstanding and rates applicable thereon.

4 Standards, amendments and interpretations adopted during the year

The accounting policies adopted in the preparation of these financial statements are consistent with those of the previous financial year except as follows:

4.1 New standards

The company has adopted the following revised standards and amendments of IFRSs which become effective for the current year:

IFRS 16 - Leases.

IFRIC 23 Uncertainty over Income Tax Treatments.

Plan Amendment, Curtailment or Settlement (Amendments to IAS 19).

The above standards that became effective at the start of the year did not have any material impact on the Company's financial statements.

4.2 Standards, amendments and improvements to approved accounting standards that are not yet effective

The following revised standards, amendments and improvements with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretations:

Standards or Interpretation	Effective date (Annual periods beginning on or after)
Amendments to IFRS 3-Business Combinations-Definition of Business	January 1, 2020
Amendments to IAS 1 Presentation of Financial statements and IAS 8 Accounting policies,	January 1, 2020
IFRS 14 Regulatory Deferral Accounts	July 1, 2019
Interest rate benchmark reform (Amendments to IFRS 9, IAS 39 and IFRS 7)	January 1, 2020
COVID-19 related Rent concessions (Amendment to IFRS 16)	April 11, 2020

The Company expects that the adoption of the above standards and amendments will not have any material impact on the Company's financial statements in the period of initial application.

Arthritis Care Foundation
Notes to the Financial Statements
For the year ended June 30, 2020

5 Accrued and other liabilities

This represent amount payable for utilities and withholding taxes deducted from payments to suppliers.

6 Contingencies and commitments

There were no contingencies and commitments pending for the year ended June 30, 2020 (2019: Nil).

7 Equipment

Particulars	Office computer	Office equipment	Furniture and fixtures	Total
Cost				
Balance as at July 01, 2018	44,600	208,500	8,500	261,600
Additions	-	7,500	97,100	104,600
Balance as at June 30, 2019	44,600	216,000	105,600	366,200
Balance as at July 01, 2019	44,600	216,000	105,600	366,200
Additions	-	85,640	-	85,640
Balance as at June 30, 2020	44,600	301,640	105,600	451,840
Accumulated depreciation				
Balance as at July 01, 2018	29,101	25,381	1,587	56,069
Charge for the year	4,650	18,450	6,357	29,457
Balance as at June 30, 2019	33,751	43,831	7,944	85,526
Balance as at July 01, 2019	33,751	43,831	7,944	85,526
Charge for the year	3,255	20,758	9,766	33,779
Balance as at June 30, 2020	37,006	64,589	17,710	119,305
Written down value-2019	10,849	172,169	97,656	280,674
Written down value-2020	7,594	237,051	87,890	332,535
Rate of depreciation (%)	30%	10%	10%	

8 Intangible

	2020 Rupees	2019 Rupees
Cost		
Balance as at July 01, 2019	105,000	105,000
Additions	-	-
Disposal	-	-
Balance as at June 30, 2020	105,000	105,000
Accumulated amortization		
Balance as at July 01, 2019	73,500	63,000
Charge for the year	10,500	10,500
Disposal	-	-
Balance as at June 30, 2020	84,000	73,500
Written down value as at June 30, 2020	21,000	31,500
Rate of amortization (%)	10%	10%

8.1 This includes website designed for the Trust.

Arthritis Care Foundation
Notes to the Financial Statements
For the year ended June 30, 2020

9 Short term investments

This represents investment made in Allied bank fixed term deposits for a tenure of 12 months with rollover at interest rate of 10.74%. (2019:10.70%).

	2020 Rupees	2019 Rupees
10 Advance, deposit and other receivables		
Interest receivable	180,818	120,841
Advance tax	214,057	73,642
	<u>394,875</u>	<u>194,483</u>

11 Stocks

This represents stock of medicines for treatment of Arthritis.

	2020 Rupees	2019 Rupees
12 Cash and bank balance		
Cash in hand	27,338	8,392
Cash at bank - <i>Current Account</i>	6,525,701	14,373,939
Cash at bank - <i>Saving Account</i>	12,626,061	-
	<u>19,179,100</u>	<u>14,382,331</u>

13 Donations	Restricted funds- 2020	Un-restricted funds-2020	Total 2020	Total 2019
I-Care Foundation	-	1,032,618	1,032,618	543,310
Infaq Foundation	6,000,000	-	6,000,000	7,115,391
Others <i>13.1</i>	-	32,585,639	32,585,639	23,596,353
	<u>6,000,000</u>	<u>33,618,257</u>	<u>39,618,257</u>	<u>31,255,054</u>

13.1 This represents donations from zakat, self finance, general donations and sponsorship from pharma.

14 Interest income

This represents interest income on short term investment in term deposits at the rate of 10.74%. (2019:10.70%).

15 Expenses on health projects	Restricted funds-2020	Un-restricted funds-2020	Total 2020	Total 2019
Medicine consumed	6,000,000	7,103,131	13,103,131	12,006,533
Clinical staff salaries	-	2,168,258	2,168,258	1,045,667
Biologics	-	5,076,459	5,076,459	3,618,250
Joint replacement	-	84,000	84,000	355,000
Rehabilitation equipment for patient	-	-	-	151,500
Medical test for patients	-	562,917	562,917	1,579,497
In-patients treatment	-	1,513,077	1,513,077	-
	<u>6,000,000</u>	<u>16,507,842</u>	<u>22,507,842</u>	<u>18,756,447</u>

Arthritis Care Foundation
Notes to the Financial Statements
For the year ended June 30, 2020

16 Expenses on scholarships	Note	Restricted funds-2020	Un-restricted funds-2020	Total 2020	Total 2019
Faculty support program	16.1	-	-	-	1,335,000
Post graduate trainees scholarship	16.2	-	2,507,545	2,507,545	4,712,689
		<u>-</u>	<u>2,507,545</u>	<u>2,507,545</u>	<u>6,047,689</u>

16.1 This represent scholarships paid to senior doctors of Fatima Memorial Hospital (FMH) for medical examination of the Trust's patients recommended by the Trust.

16.2 This represent scholarships paid to Post Graduate (PG) trainees of National Hospital (NH) for medical examination of the Trust's patients recommended by the Trust.

17 Administrative expenses	Note	Restricted funds 2020	Un-restricted funds 2020	Total 2020	Total 2019
Salaries and wages		-	2,179,846	2,179,846	1,637,999
Fund raising expenses		-	662,325	662,325	404,314
Public awareness expenses		-	183,390	183,390	1,250
Rent rates and taxes		-	1,051,200	1,051,200	432,000
Printing and stationery		-	81,344	81,344	271,697
Repair and maintenance		-	37,460	37,460	19,290
Utilities		-	66,450	66,450	89,242
Vehicle running expenses		-	66,209	66,209	62,974
Website maintenance expenses		-	61,800	61,800	68,500
Depreciation	7	-	33,779	33,779	29,457
Amortization	8	-	10,500	10,500	10,500
Postages and courier		-	48,699	48,699	74,742
Legal and professional charges		-	-	-	92,000
Miscellaneous expenses		-	137,734	137,734	64,582
		<u>-</u>	<u>4,620,736</u>	<u>4,620,736</u>	<u>3,258,547</u>

18 Taxation

No tax provision has been made as the Trust has opted for exemption under section 100C of Income Tax Ordinance, 2001, which is in the process of approval.

19 Cash and cash equivalents	Note	2020 Rupees	2019 Rupees
Cash and bank balance	12	19,179,100	14,382,331
Short term investments		6,543,162	6,543,162
		<u>25,722,262</u>	<u>20,925,493</u>

Arthritis Care Foundation
Notes to the Financial Statements
For the year ended June 30, 2020

20 Related party transactions

The related parties comprise of Executive Committee and members of Board of Trustees of the Trust. Transactions with related parties are as follows:

Name	Relationship	Nature of transaction	2020 Rupees	2019 Rupees
Prof. Nighat Mir Ahmad	Chairperson	Donation	145,000	150,000
Prof. Sumaira Farman Raja	Co -Chairperson	Donation	483,750	665,850
Dr. M. Ahmed Saeed	General Secretary	Donation	10,000	50,000
Ms. Samina Sultana	Finance Secretary	Donation	311,000	1,040,000
Dr. Tauseef Irfan	Joint Secretary	Donation	153,000	30,000
Dr. Shabnam Sarfraz	Joint Finance Secretary	Donation	162,600	-
Prof. Dr. Tasnim A. Raza	Member of Board of Trustee	Donation	-	20,000
Ms. Anjum S. Ahmed	Member of Board of Trustee	Donation	1,000,000	1,630,000
Ms. Uzma Ahmad	Member of Board of Trustee	Donation	500,000	-

21 Number of employees

	2020	2019
Number of employees at the end of the year	9	9
Average number of employees	9	9

22 Date of authorization

These financial statements have been authorized for issue by The Board of Trustees on 29 January 2021

23 General

23.1 Figures of previous year have been re-arranged and re-classified wherever necessary for the purposes of comparison.

23.2 Figures have been rounded off to the nearest Rupee.



Finance Secretary



Chairperson

CONTACT DETAIL



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