



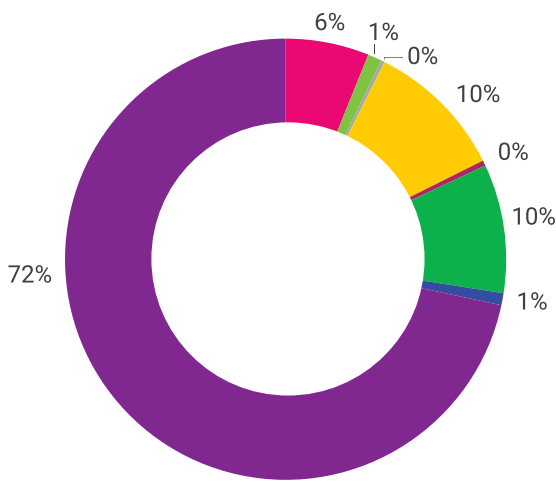


Financial Highlights

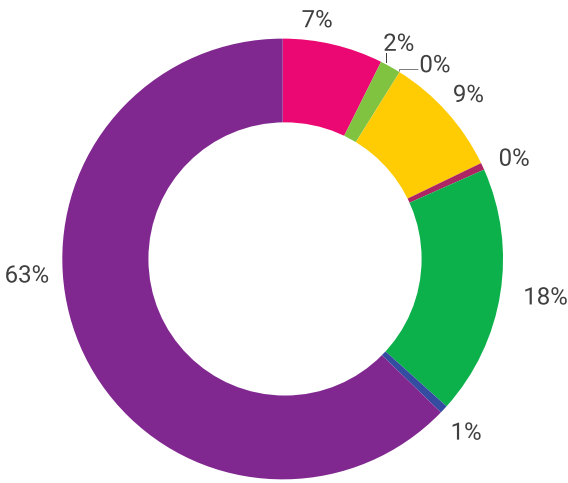
Financial Highlights

Graphical Presentation of Balance Sheet

Assets 2025

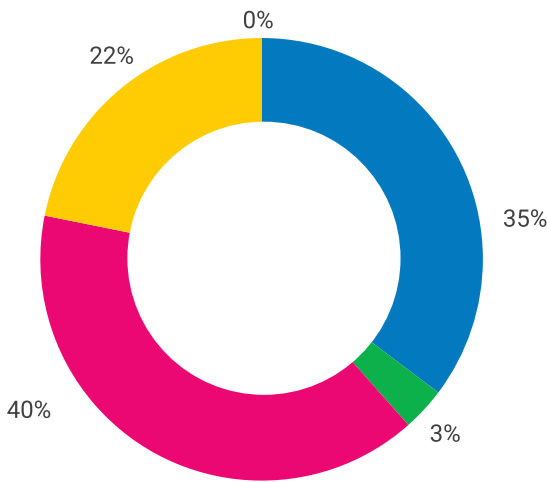


Assets 2024

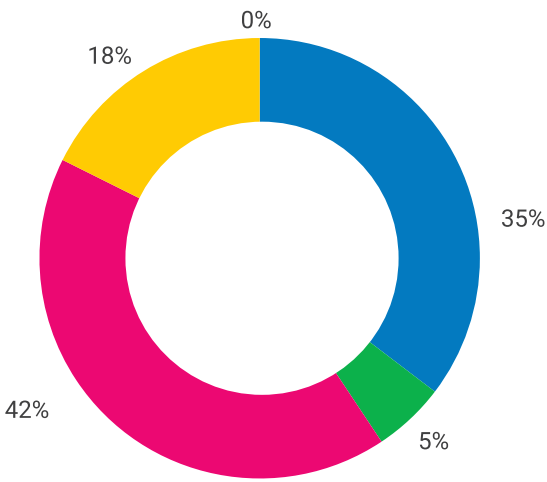


- Operating Fixed Assets
- Right-of-use Assets
- Intangible Assets
- Consumables
- Advances, Deposits and Prepayments
- Investments
- Other Receivables
- Cash and Bank Balances

Funds and Reserves 2025



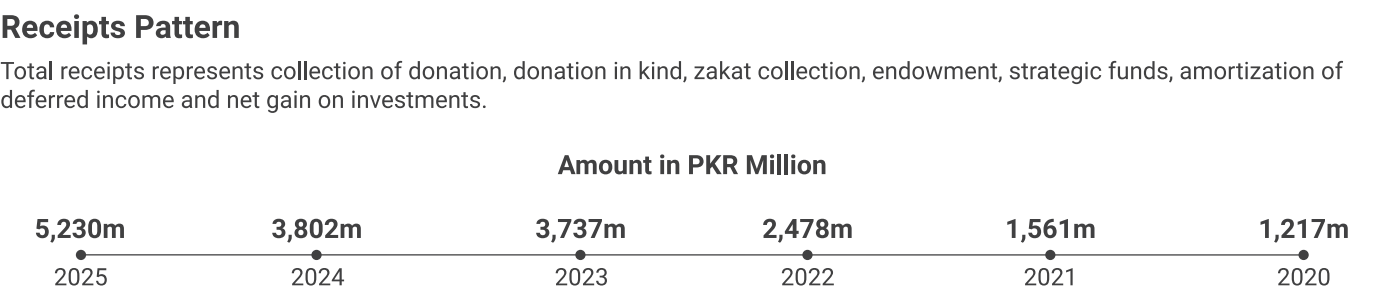
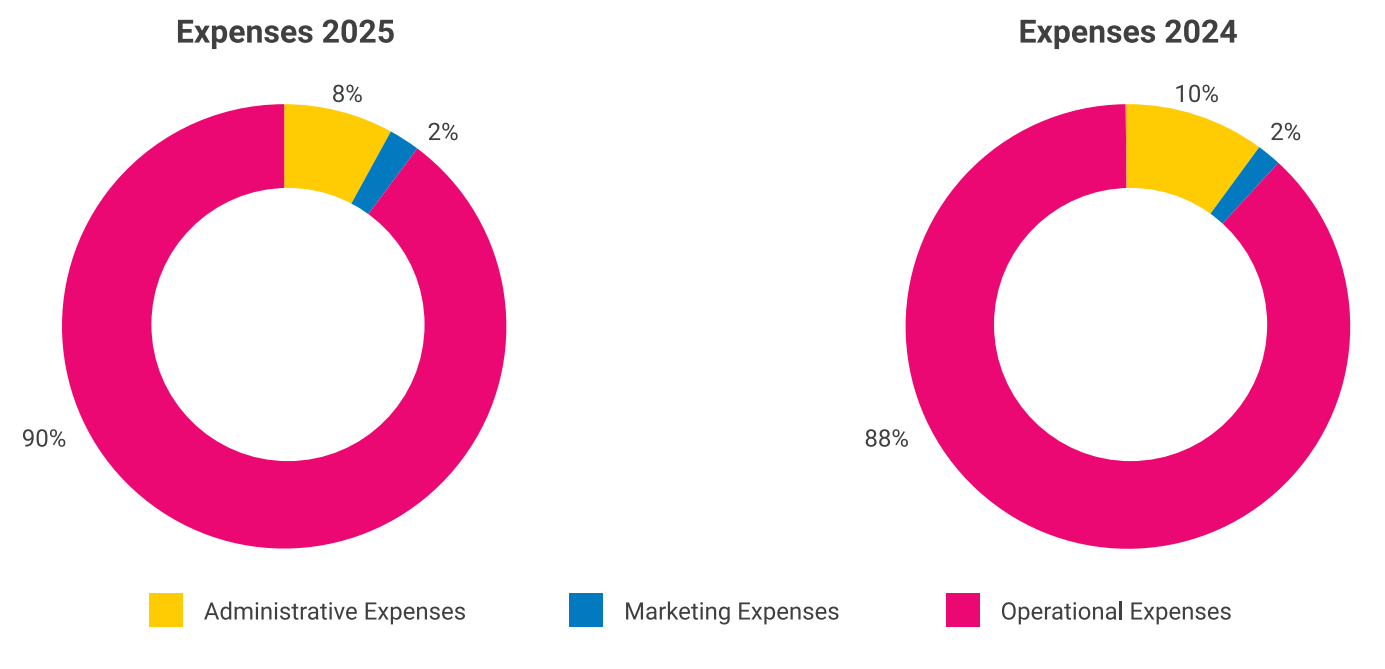
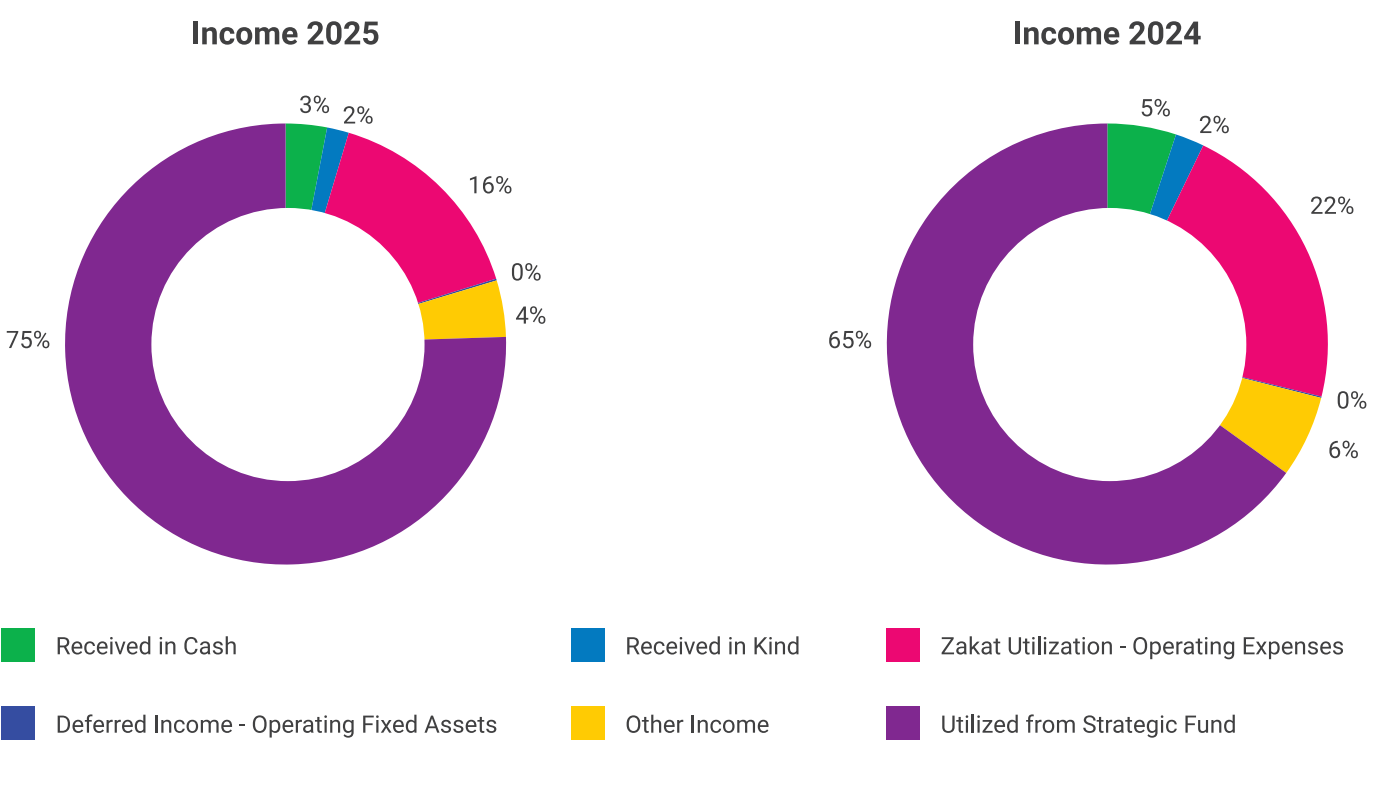
Funds and Reserves 2024



- Inception Contribution
- General Fund
- Zakat Fund
- Endowment Fund
- Strategic Fund

Financial Highlights

Graphical Presentation of Income and Expenditure Account



Financial Highlights

Key Financial Indicators and Ratios

KEY FINANCIAL INDICATORS	2024-25	2023-24	2022-23	2021-22	2020-21	2019-20
	(Rupees in '000)					
Total Income	4,824,347	3,489,768	3,170,506	1,956,782	1,401,341	1,275,587
Total Expenses	4,605,146	3,928,060	2,468,038	1,713,250	1,237,652	1,046,248
Surplus/(deficit) for the year transferred to general fund	219,201	(438,292)	702,468	243,532	163,690	229,338
STATEMENT OF FINANCIAL POSITION						
Operating Non-Current Assets	344,699	357,643	137,916	136,102	126,744	129,494
Operating Current Assets	4,314,172	3,660,272	3,731,999	2,377,124	1,585,076	1,260,194
Total Assets	4,658,871	4,017,915	3,869,915	2,513,226	1,711,820	1,389,688
Total Funds	4,153,758	3,524,484	3,674,387	2,407,476	1,642,991	1,319,243
Liabilities:						
Non-current Liabilities	63,447	78,776	1,969	-	-	33
Current Liabilities	441,666	414,655	193,559	105,750	68,829	70,412
Total Liabilities	505,113	493,431	195,528	105,750	68,829	70,445
Total Funds & Liabilities	4,658,871	4,017,915	3,869,915	2,513,226	1,711,820	1,389,688

KEY FINANCIAL RATIOS	2024-25	2023-24	2022-23	2021-22	2020-21	2019-20
Profitability Ratios						
Cost/income Ratio	95.5%	112.6%	77.8%	87.6%	88.3%	82.0%
Net Surplus / Income Ratio	4.5%	-12.6%	22.2%	12.4%	11.7%	18.0%
Liquidity Ratios						
Current Ratio	9.77	8.83	19.28	22.48	23.03	17.90
Quick / Acid Test Ratio	8.69	7.96	18.21	21.57	22.00	17.13
Cash to Current Liabilities	7.56	6.08	12.18	11.85	11.24	12.21
Turnover Ratios						
Inventory Turnover Ratio	2.48	3.18	3.95	4.13	4.28	5.00
No. of Days in Inventory	147	115	92	88	85	73
Activity Ratios						
Return on Assets	5%	-11%	18%	10%	10%	17%
Fixed Assets to Income Ratio	7%	10%	4%	7%	9%	10%
Total Assets to Income Ratio	97%	115%	122%	128%	122%	109%
Capital Structure						
Debt to Fund Ratio	0%	0%	0%	0%	0%	0%

Commentary on Financial Ratios

Profitability Ratios

ChildLife Foundation remains focused on delivering pediatric emergency healthcare through its Emergency Rooms and Telemedicine Satellite Centers in government hospitals across Pakistan. As a non-profit entity, our financial goal is not to generate surplus but to ensure efficient and rational spending across operations.

Being a service-based and human capital-intensive organization, our main operational costs include:

- Human resources, including both employees and third-party services
- Medicines and consumables

During FY 2024–25, the cost-to-income ratio improved to 95.5% compared to 112.6% in FY 2023–24, largely due to full release of grant-in-aid funds from provincial governments in line with increased budget allocations.

Consequently, the net surplus-to-income ratio turned positive at 4.5%, compared to a deficit of 12.6% in the prior year.

Liquidity Ratios

Liquidity represents the ease with which assets can be converted into cash without impacting their market value. ChildLife continues to maintain a strong liquidity position. The current ratio improved to 9.77 and quick ratio to 8.69 in FY 2024-25, up from 8.83 and 7.96 respectively in FY 2023–24.

These strong liquidity indicators show that the Foundation holds sufficient liquid assets to meet short-term obligations comfortably. The improvement reflects prudent fund management, careful timing of expenditures, and enhanced internal efficiency. However, liquidity may still fluctuate depending on the timing of grant receipts and donation disbursements.

Inventory Turnover Ratio

The inventory turnover ratio measures the frequency with which an organization sells and replenishes its inventory. This ratio considers medicine consumption relative to the average inventory held during the period.

The rise in inventory days is primarily due to maintaining higher stock levels of essential medicines and consumables in anticipation of price volatility and potential supply chain disruptions.

ChildLife’s policy continues to ensure a minimum three-month buffer stock across all Emergency Rooms to prevent any interruption in patient care.

Activity Ratios

The asset turnover ratio measures the efficiency with which assets generate funds. For ChildLife, these ratios are relatively low, as our organization relies more on human capital than machinery. Additionally, as a pediatric emergency care provider, we do not require heavy-duty hospital equipment, which distinguishes us from tertiary care hospitals.

Capital Structure

Leverage ratios indicate the level of debt relative to other balance sheet, income, or cash flow accounts.

ChildLife Foundation continues to operate without any debt financing, maintaining a debt-to-fund ratio of 0%. The Foundation relies exclusively on donations, zakat, and government support for funding its operations. This conservative capital structure aligns with its non-profit model and ensures financial sustainability without exposure to interest-bearing liabilities.

Summary of Cash Flow

Description	2024-25	2023-24	2022-23	2021-22	2020-21	2019-20
	(Rupees in '000)					
Cash and cash equivalents at beginning of the year	2,821,079	2,866,789	1,653,455	773,492	859,837	477,381
Net cash generated from / (utilised in) operating activities	67,749	(531,386)	513,686	200,328	148,654	169,265
Net cash generated from / (utilised in) investing activities	356,044	180,002	132,580	158,681	(395,056)	271,237
Net cash generated from / (utilised in) financing activities	393,438	305,674	567,068	520,954	160,058	(58,047)
Net increase in cash and bank balances	817,231	(45,710)	1,213,334	879,963	(86,345)	382,456
Cash and cash equivalents at end of the year	3,638,310	2,821,079	2,866,789	1,653,455	773,492	859,837

Cashflow Statement of Zakat Funds (Direct Method)

Description	2024-25	2023-24	2022-23	2021-22	2020-21	2019-20
	(Rupees in '000)					
Opening balance	187,059	22,292	181,299	140,419	109,916	42,063
Received during the year	697,102	921,048	329,834	355,008	237,361	251,162
Utilization	(751,898)	(756,281)	(488,841)	(314,128)	(206,858)	(183,309)
Closing balance	132,263	187,059	22,292	181,299	140,419	109,916

Statement of Cash Flows (Direct Method)

	2025	2024
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from donations and grants	4,568,219	3,233,110
Cash paid to suppliers / service providers - net	(2,887,193)	(2,456,528)
Cash paid to employees	(1,569,787)	(1,272,618)
Cash paid to employees provident fund	(43,490)	(35,350)
Net cash generated / (utilised in) from operating activities	67,749	(531,386)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of operating fixed assets	(97,181)	(237,728)
Purchase of intangible asset	(14,706)	-
Investment in term deposit receipts	(1,440,000)	(3,796,281)
Term deposit receipts matured	1,635,031	4,060,031
Maturity of / (investment in) Ijarah Sukuk	100,000	(100,000)
Realised gain on Islamic investments and bank deposits	169,713	253,201
Proceeds from disposal of operating fixed assets	3,187	779
Net cash generated from investing activities	356,044	180,002
CASH FLOWS FROM FINANCING ACTIVITIES		
Deferred income relating to operating fixed assets received	1,452	27,254
Zakat fund received	697,102	921,048
Strategic fund received	3,928,446	2,131,210
Endowment fund received	179,465	262,832
Utilisation of zakat fund	(751,898)	(756,281)
Utilisation of strategic fund	(3,643,042)	(2,270,420)
Donation in lieu of repayment of rent	(18,087)	(9,969)
Net cash generated from financing activities	393,438	305,674
Net increase / (decrease) in cash and cash equivalents	817,231	(45,710)
Cash and cash equivalents at beginning of the year	2,821,079	2,866,789
Cash and cash equivalents at end of the year	3,638,310	2,821,079

ChildLife Foundation

Six Years' Vertical Analysis

	2024-25	2023-24	2022-23	2021-22	2020-21	2019-20
Income:						
Received in Cash	3.02%	5.04%	8.07%	6.69%	6.90%	25.79%
Received in Kind	1.61%	2.12%	1.89%	1.70%	2.80%	1.76%
Zakat Utilization - Operating Expenses	15.59%	21.67%	15.42%	13.91%	12.10%	11.46%
Zakat Utilization - Clinics	0.00%	0.00%	0.00%	2.14%	2.67%	2.91%
Deferred income - Operating Fixed Assets	0.13%	0.10%	0.00%	0.00%	0.00%	0.10%
Other income	4.14%	6.01%	16.68%	6.86%	2.25%	4.75%
Utilized from Strategic Fund	75.51%	65.06%	57.94%	68.70%	73.28%	53.23%
Total Income	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Expenses:						
Salaries and benefits	35.23%	33.79%	40.99%	41.12%	45.40%	47.06%
Third party contractual services	13.55%	10.79%	10.41%	8.93%	9.18%	6.72%
Lab services	3.00%	3.67%	1.58%	0.00%	0.00%	0.00%
Medicines consumed	22.50%	22.97%	24.35%	20.15%	21.52%	19.19%
Patient consultation	0.00%	0.00%	0.00%	3.52%	3.88%	4.57%
Project renovation	1.07%	7.34%	2.00%	6.91%	5.52%	9.12%
Depreciation on operating fixed assets	2.34%	1.97%	2.52%	2.91%	3.52%	3.13%
Depreciation on right-of-use assets	0.30%	0.21%	0.00%	0.00%	0.00%	0.00%
Amortisation of intangible assets	0.06%	0.02%	0.04%	0.19%	0.26%	0.23%
Supplies and consumables	3.71%	3.69%	4.11%	2.90%	1.90%	3.15%
Oxygen supplies	4.51%	3.50%	2.80%	3.83%	2.01%	1.35%
Repairs and maintenance	2.22%	1.73%	1.60%	1.48%	1.19%	0.46%
Travelling and related expenses	1.61%	2.00%	2.04%	2.02%	1.36%	1.00%
Utilities	3.62%	2.93%	2.30%	1.43%	0.86%	0.68%
Cartage	0.70%	0.81%	0.90%	0.45%	0.25%	0.19%
Insurance	0.44%	0.45%	0.56%	0.64%	0.85%	0.82%
Training and development	0.26%	0.27%	0.48%	0.30%	0.14%	0.27%
Information system maintenance	1.08%	0.64%	0.72%	0.64%	0.61%	0.59%
Legal and professional	0.42%	0.33%	0.25%	0.34%	0.20%	0.09%
Auditors' remuneration	0.02%	0.02%	0.02%	0.02%	0.08%	0.04%
Advertisement	2.09%	1.57%	1.53%	1.77%	0.92%	0.65%
Programmatic activities and preventive health care	0.16%	0.21%	0.18%	0.15%	0.06%	0.04%
Rentals and maintenance	0.83%	0.88%	0.45%	0.19%	0.24%	0.24%
Others	0.06%	0.05%	0.17%	0.11%	0.05%	0.41%
Unwinding of discount on lease liability	0.22%	0.16%	0.00%	0.00%	0.00%	0.00%
Total Expenses	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
FINANCIAL POSITION:						
Assets:						
Operating Fixed Assets	6.12%	7.37%	3.54%	5.35%	7.09%	8.84%
Right-of-use assets	1.02%	1.53%	0.00%	0.00%	0.00%	0.00%
Intangible assets	0.26%	0.00%	0.02%	0.06%	0.31%	0.48%
Consumables	10.23%	8.94%	5.37%	3.84%	4.13%	3.88%
Advances, deposits and prepayments	0.40%	0.52%	0.75%	0.29%	0.46%	1.24%
Investments	9.44%	18.29%	28.65%	39.74%	42.42%	23.37%
Other receivables	0.88%	0.60%	0.76%	0.85%	0.40%	0.32%
Cash and bank balances	71.65%	62.75%	60.91%	49.87%	45.19%	61.87%
Total Assets	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Funds:						
Inception contribution	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
General fund	35.28%	35.36%	45.84%	40.79%	44.99%	43.73%
Zakat fund	3.18%	5.31%	0.61%	7.53%	8.55%	8.33%
Endowment fund	39.70%	41.70%	32.84%	20.99%	14.18%	17.56%
Strategic fund	21.84%	17.63%	20.71%	30.69%	32.28%	30.38%
Total Funds	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Liabilities:						
Deferred income related to operating fixed assets	4.26%	5.33%	1.28%	0.00%	0.00%	0.05%
Lease liabilities	11.43%	13.36%	0.00%	0.00%	0.00%	0.00%
Creditors, accrued and other liabilities	84.31%	81.31%	98.72%	100.00%	100.00%	99.95%
Total Liabilities	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Total Funds & Liabilities	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

ChildLife Foundation

Six Years' Horizontal Analysis

	% Variation					
	2024-25	2023-24	2022-23	2021-22	2020-21	2019-20
Income:						
Received in Cash	44%	53%	78%	40%	29%	100%
Received in Kind	345%	330%	266%	148%	174%	100%
Zakat Utilization - Operating Expenses	514%	517%	334%	186%	116%	100%
Zakat Utilization - Clinics	0%	0%	0%	113%	101%	100%
Deferred income - Operating Fixed Assets	490%	272%	10%	0%	3%	100%
Other income	330%	346%	872%	221%	52%	100%
Utilized from Strategic Fund	537%	334%	271%	198%	151%	100%
Total Income	378%	274%	249%	153%	110%	100%
Expenses:						
Salaries and benefits	329%	270%	205%	143%	114%	100%
Third party contractual services	888%	603%	366%	218%	162%	100%
Lab services*	355%	370%	100%	0%	0%	0%
Medicines consumed	516%	449%	299%	172%	133%	100%
Patient consultation	0%	0%	0%	126%	100%	100%
Project renovation	52%	302%	52%	124%	72%	100%
Depreciation on operating fixed assets	330%	238%	190%	152%	133%	100%
Depreciation on right-of-use assets**	171%	100%	0%	0%	0%	0%
Amortisation of intangible assets	106%	26%	37%	138%	136%	100%
Supplies and consumables	518%	439%	308%	150%	71%	100%
Oxygen supplies	1457%	965%	484%	460%	174%	100%
Repairs and maintenance	2124%	1411%	819%	527%	307%	100%
Travelling and related expenses	711%	754%	482%	332%	162%	100%
Utilities	2361%	1631%	803%	347%	151%	100%
Cartage	1665%	1633%	1143%	395%	158%	100%
Insurance	237%	205%	160%	127%	122%	100%
Training and development	418%	372%	421%	180%	59%	100%
Information system maintenance	811%	411%	291%	179%	124%	100%
Legal and professional	1969%	1307%	615%	592%	249%	100%
Audit fee	191%	185%	134%	95%	230%	100%
Advertisement	1427%	911%	559%	448%	169%	100%
Programmatic activities and preventive health care	1809%	1961%	1041%	615%	179%	100%
Rentals and maintenance	1528%	1381%	445%	128%	118%	100%
Others	69%	51%	105%	47%	14%	100%
Unwinding of discount on lease liability**	157%	100%	0%	0%	0%	0%
Total Expenses	440%	375%	236%	164%	118%	100%
Surplus/(deficit) for the year transferred to general fund	96%	-191%	306%	106%	71%	100%
FINANCIAL POSITION:						
	% Variation					
	2024-25	2023-24	2022-23	2021-22	2020-21	2019-20
Assets:						
Operating Fixed Assets	232%	241%	112%	110%	99%	100%
Right-of-use assets**	77%	100%	0%	0%	0%	0%
Intangible assets	183%	2%	11%	24%	80%	100%
Consumables	884%	666%	386%	179%	131%	100%
Advances, deposits and prepayments	108%	122%	170%	42%	46%	100%
Investments	135%	226%	341%	308%	224%	100%
Other receivables	911%	538%	649%	471%	150%	100%
Cash and bank balances	388%	293%	274%	146%	90%	100%
Total Assets	335%	289%	278%	181%	123%	100%
Funds:						
Inception contribution	100%	100%	100%	100%	100%	100%
General fund	254%	216%	292%	170%	128%	100%
Zakat fund	120%	170%	20%	165%	128%	100%
Endowment fund	712%	634%	521%	218%	101%	100%
Strategic fund	226%	155%	190%	184%	132%	100%
Total Funds	315%	267%	279%	182%	125%	100%
Liabilities:						
Deferred income related to operating fixed assets	65895%	80576%	7644%	0%	0%	100%
Lease liabilities**	88%	100%	0%	0%	0%	0%
Creditors, accrued and other liabilities	605%	570%	274%	150%	98%	100%
Total Liabilities	717%	700%	278%	150%	98%	100%
Total Funds & Liabilities	335%	289%	278%	181%	123%	100%

* Base Year is taken as 2022-23 | ** Base Year is taken as 2023-24

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF TRUSTEES OF CHILDLIFE FOUNDATION**Opinion**

We have audited the financial statements of ChildLife Foundation (the Trust), which comprise the statement of financial position as at June 30, 2025, and the statement of income and expenditure and other comprehensive income, the statement of changes in fund balances and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Trust as at June 30, 2025, and of its financial performance and its cash flows for the year then ended in accordance with approved accounting and reporting standards as applicable in Pakistan.

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 Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 1.9 to the financial statements, which describes the transition of the Trust to a company limited by guarantee incorporated under section 42 of the Companies Act, 2017. Our opinion is not modified in respect of this matter.

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 thereon.

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

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

Responsibilities of Management and Trustees for the Financial Statements

The Management of the Trust 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 for such internal control as Management of the Trust determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



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In preparing the financial statements, Management of the Trust is 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.

The Trustees 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 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 Trustees 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.

The engagement partner on the audit resulting in this independent auditor's report is **Shahbaz Akbar**.



A. F. Ferguson & Co.
Chartered Accountants
Karachi

Dated: December 19, 2025

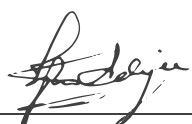
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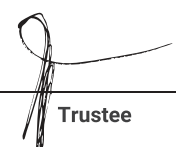
Statement of Financial Position

AS AT JUNE 30, 2025

	Note	2025	2024
		(Rupees in '000)	
ASSETS			
NON-CURRENT ASSETS			
Operating fixed assets	5	284,906	296,081
Right-of-use assets	6	47,538	61,451
Intangible assets	7	12,255	111
		<u>344,699</u>	<u>357,643</u>
CURRENT ASSETS			
Consumables	8	476,284	358,969
Advances, deposits and prepayments	9	18,509	20,921
Short-term investments	10	440,000	735,031
Other receivables	11	41,069	24,272
Cash and bank balances	12	3,338,310	2,521,079
		<u>4,314,172</u>	<u>3,660,272</u>
TOTAL ASSETS		<u><u>4,658,871</u></u>	<u><u>4,017,915</u></u>
FUNDS AND LIABILITIES			
FUNDS			
UN-RESTRICTED FUNDS			
Inception contribution		10	10
General fund		1,465,329	1,246,128
		<u>1,465,339</u>	<u>1,246,138</u>
RESTRICTED FUNDS			
Zakat fund	13	132,263	187,059
Endowment fund		1,649,136	1,469,671
Strategic fund	14	907,020	621,616
		<u>2,688,419</u>	<u>2,278,346</u>
TOTAL FUNDS		<u>4,153,758</u>	<u>3,524,484</u>
LIABILITIES			
NON-CURRENT LIABILITIES			
Deferred income related to operating fixed assets	15	17,201	21,033
Lease liabilities	16	46,246	57,743
		<u>63,447</u>	<u>78,776</u>
CURRENT LIABILITIES			
Current portion of deferred income related to operating fixed assets	15	4,300	5,258
Current portion of lease liabilities	16	11,498	8,160
Creditors, accrued and other liabilities	17	425,868	401,237
		<u>441,666</u>	<u>414,655</u>
TOTAL LIABILITIES		<u>505,113</u>	<u>493,431</u>
TOTAL FUNDS AND LIABILITIES		<u><u>4,658,871</u></u>	<u><u>4,017,915</u></u>
CONTINGENCIES AND COMMITMENTS	18		

The annexed notes 1 to 35 form an integral part of these financial statements.


Trustee

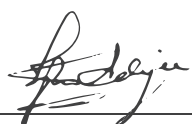

Trustee

Statement of Income and Expenditure and Other Comprehensive Income

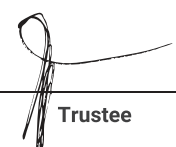
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 ———— (Rupees in '000) ————	2024 ————
INCOME	20	4,824,347	3,489,768
EXPENDITURE			
Operating expenses	21	4,134,196	3,456,938
Administrative expenses	22	367,065	401,463
Marketing expenses	23	103,885	69,659
Total expenditure		4,605,146	3,928,060
Surplus / (deficit) for the year before taxation		219,201	(438,292)
Taxation	25	-	-
Net surplus / (deficit) for the year		219,201	(438,292)
Other comprehensive income for the year		-	-
Total comprehensive income / (loss) for the year		219,201	(438,292)

The annexed notes 1 to 35 form an integral part of these financial statements.



Trustee



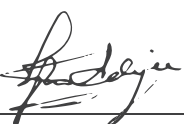
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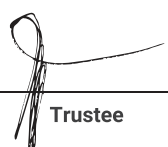
Statement of Changes in Fund Balances

FOR THE YEAR ENDED JUNE 30, 2025

		Un-Restricted funds		Restricted funds			
	Note	Inception contribution	General fund	Zakat fund	Endowment fund	Strategic fund	Total
		(Rupees in '000)					
Balance as at July 1, 2023		10	1,684,420	22,292	1,206,839	760,826	3,674,387
Funds received during the year		-	-	921,048	262,832	2,131,210	3,315,090
Zakat utilised for operating expenses	13	-	-	(756,281)	-	-	(756,281)
Deficit for the year		-	(438,292)	-	-	-	(438,292)
Funds utilised during the year	14	-	-	-	-	(2,270,420)	(2,270,420)
Balance as at June 30, 2024		10	1,246,128	187,059	1,469,671	621,616	3,524,484
Funds received during the year		-	-	697,102	179,465	3,928,446	4,805,013
Zakat utilised for operating expenses	13	-	-	(751,898)	-	-	(751,898)
Surplus for the year		-	219,201	-	-	-	219,201
Funds utilised during the year	14	-	-	-	-	(3,643,042)	(3,643,042)
Balance as at June 30, 2025		10	1,465,329	132,263	1,649,136	907,020	4,153,758

The annexed notes 1 to 35 form an integral part of these financial statements.


Trustee

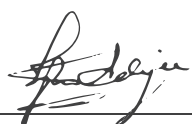

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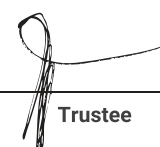
Statement of Cash Flows

FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 ————— (Rupees in '000) —————	2024 —————
CASH FLOWS FROM OPERATING ACTIVITIES			
Surplus / (deficit) for the year		219,201	(438,292)
Adjustments for non-cash and other items:			
Amortisation of deferred income relating to operating fixed assets	20	(6,242)	(3,457)
Depreciation on operating fixed assets	5	107,841	77,940
Depreciation on right-of-use assets	6	13,913	8,116
Amortisation of intangible assets	7	2,562	629
Profit on investments and bank deposits		(169,713)	(253,201)
(Gain) / loss on disposal of operating fixed assets	20.2	(2,672)	104
Unwinding of discount on lease liability	16	9,928	6,305
		174,818	(601,856)
Increase in current assets			
Consumables		(117,315)	(150,996)
Other receivables		(16,797)	4,982
Advances, deposits and prepayments		2,412	8,281
		(131,700)	(137,733)
Increase in current liability			
Creditors, accrued and other liabilities		24,631	208,203
Net cash generated / (utilised in) from operating activities		67,749	(531,386)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of operating fixed assets	5	(97,181)	(237,728)
Purchase of intangible asset	7	(14,706)	-
Investment in term deposit receipts		(1,440,000)	(3,796,281)
Term deposit receipts matured		1,635,031	4,060,031
Maturity of / (investment in) Ijarah Sukuk		100,000	(100,000)
Realised gain on Islamic investments and bank deposits		169,713	253,201
Proceeds from disposal of operating fixed assets		3,187	779
Net cash generated from investing activities		356,044	180,002
CASH FLOWS FROM FINANCING ACTIVITIES			
Deferred income relating to operating fixed assets received		1,452	27,254
Zakat fund received		697,102	921,048
Strategic fund received		3,928,446	2,131,210
Endowment fund received		179,465	262,832
Utilisation of zakat fund		(751,898)	(756,281)
Utilisation of strategic fund		(3,643,042)	(2,270,420)
Donation in lieu of repayment of rent		(18,087)	(9,969)
Net cash generated from financing activities		393,438	305,674
Net increase / (decrease) in cash and cash equivalents		817,231	(45,710)
Cash and cash equivalents at beginning of the year		2,821,079	2,866,789
Cash and cash equivalents at end of the year	26	3,638,310	2,821,079

The annexed notes 1 to 35 form an integral part of these financial statements.


Trustee


Trustee

Notes to the Financial Statements

FOR THE YEAR ENDED JUNE 30, 2025

1 LEGAL STATUS AND OBJECTIVES

1.1 ChildLife Foundation (the Trust) was established under a registered trust deed dated October 27, 2010. The principal office of the Trust is located at LG-49, Lower Ground, Lucky One Mall, LA-2/B, F.B. Area, Rashid Minhas Road, Karachi. The principal objectives of the Trust are to:

- promote the cause of medical care and manage emergency care units for children and setting-up, establishing, managing, operating, obtaining registrations and recognitions and funding for medical, educational and social welfare institutions;
- accept donations, grant contributions and subsidies from philanthropists, local and offshore donors, bodies and organisations;
- acquire, take over or receive by way of donations, develop plots, amenity sites and immovable properties of all kinds out of funds of the Trust; and
- provide medical and health care facilities for and medical treatment of the people by building, setting-up, establishing, managing, operating, funding, promoting, aiding and assisting hospitals, organising clinics, etc. and to generally do, effectuate, fulfil and undertake all other social welfare and charitable activities and to plan, implement and execute charitable and welfare projects of all kinds as may be permissible under the law.

Following are the geographical locations and addresses of all Children's Emergency Units operated by the Trust:

Head Office:

LG-49, Lower Ground, Lucky One Mall, LA-2/B, F.B. Area, Rashid Minhas Road, Karachi, in the province of Sindh.

Children's Emergency Units:

- Civil Hospital, Karachi, Sindh (CHK)
- National Institute of Child Health, Karachi, Sindh (NICH)
- Sindh Government Hospital Korangi 5, Karachi, Sindh (SGHK)
- Abbasi Shaheed Hospital, Karachi, Sindh (ASH)
- Sindh Government Lyari General Hospital, Karachi, Sindh (LGH)
- Maternal and Child Health Institute, District Shaheed Benazirabad, Nawabshah, Sindh (NWB)
- Children Hospital, Larkana, Sindh (LKN)
- Ghulam Mohammad Maher Medical College Teaching Hospital, Sukkur, Sindh (GMMMC)
- Liaquat University of Medical and Health Sciences Teaching Hospital, Hyderabad, Sindh (LUMHS)
- Civil Hospital, Quetta, Balochistan (CHQ)
- Mayo Hospital, Lahore, Punjab (MHL)
- PIMS Hospital, Islamabad, Punjab (PIMS)
- Children Hospital, Multan, Punjab (MUX)

1.2 The Trust is currently managing the Children's Emergency Unit at CHK, NICH, SGHK, ASH, LGH, NWB, LKN, GMMMC, LUMHS and Telemedicine Satellite Centers in the province of Sindh under revised Memorandum of Understanding (MOU) signed on August 17, 2021, between the Trust and Government of Sindh (GoS) through the Secretary Health. Under the MOU:

- the GoS through Health Department is responsible for providing adequate resources in the annual budget and depute, post and assign such qualified, technical, professional and surgical / medical experts, paramedical staff and other experts of related disciplines, would also provide basic utilities without cost and the use of an appropriate stand-by generator and to ensure that the supply of medicines, equipment, supplies and other materials (including oxygen supply) is in accordance with best practices in respect of stock inventory; and

- the Trust is responsible for renovation and providing medical equipment, air conditioning and other essential equipment for the Children's Emergency Units as and where necessary on its sole discretion. Further, the Trust is responsible for efficiently managing the project and the facilities, developing proper inventory and data management systems, appointing qualified and professional experts and paramedic staff where required, arranging for the provisions of additional medicines and medical equipment where necessary on best effort basis, and may engage in technological advancements for compliance with medical protocols and improving the efficiency and quality of care.

1.3 The Trust is also managing the Children's Emergency Unit in CHQ and Telemedicine Satellite Centers in the province of Balochistan under a revised Memorandum of Agreement (MOA) signed on March 3, 2021 and Addendum to MOA signed in April 2024 between the Trust and Government of Balochistan (GoB) through the Secretary Health. Under the MOA:

- the GoB through Health Department is responsible for providing adequate resources in the annual budget and depute, post and assign such qualified, technical, professional and surgical / medical experts, paramedical staff and other experts of related disciplines, would also provide basic utilities without cost and the use of an appropriate stand-by generator and to ensure that the supply of medicines, equipment, supplies and other materials (including oxygen supply) is in accordance with best practices in respect of stock inventory; and
- the Trust is responsible for renovation and providing medical equipment, air conditioning and other essential equipment for the Children's Emergency Unit as and where necessary on its sole discretion. Further the Trust is responsible for efficiently managing the project and the facilities, developing proper inventory and data management systems, appointing qualified and professional experts and paramedic staff where required, arranging for the provisions of additional medicines and medical equipment where necessary on best effort basis, and may engage in technological advancements for compliance with medical protocols and improving the efficiency and quality of care.

1.4 The Trust is also managing the Children's Emergency Unit in MHL under a MOU signed on June 17, 2021 between the Trust and Mayo hospital, Lahore (MHL) through its Chairman, Board of Governors. Under the MOU:

- MHL is responsible for providing adequate resources in the annual budget and depute, post and assign such qualified, technical, professional and surgical / medical experts, paramedical staff and other experts of related disciplines, would also provide basic utilities without cost and the use of an appropriate stand-by generator and to ensure that the supply of medicines, equipment, supplies and other materials (including oxygen supply) is in accordance with best practices in respect of stock inventory; and
- the Trust is responsible for renovation and providing medical equipment, air conditioning and other essential equipment for the Children's Emergency Unit as and where necessary on its sole discretion. Further the Trust is responsible for efficiently managing the project and the facilities, developing proper inventory and data management systems, appointing qualified and professional experts and paramedic staff where required, arranging for the provisions of additional medicines and medical equipment where necessary, and may engage in technological advancements for compliance with medical protocols and improving the efficiency and quality of care.

1.5 The Trust is also managing the Children's Emergency Unit in PIMS under a MOU signed on January 28, 2022 between the Trust and Federal Medical Teaching Institute, PIMS, Islamabad through its Chairman, Board of Governors. Under the MOU

- PIMS is responsible for providing adequate resources in the annual budget and depute, post and assign such qualified, technical, professional and surgical / medical experts, paramedical staff and other experts of related disciplines, would also provide basic utilities without cost and the use of an appropriate stand-by generator and to ensure that the supply of medicines, equipment, supplies and other materials (including oxygen supply) is in accordance with best practices in respect of stock inventory; and
- the Trust is responsible for renovation and providing medical equipment, air conditioning and other essential equipment for the Children's Emergency Unit as and where necessary on its sole discretion. Further the Trust is responsible for efficiently managing the project and the facilities, developing proper inventory and data management systems,

appointing qualified and professional experts and paramedic staff where required, arranging for the provisions of additional medicines and medical equipment where necessary, and may engage in technological advancements for compliance with medical protocols and improving the efficiency and quality of care.

1.6 The Trust is also managing the Children's Emergency Unit in MUX under a MOU signed on September 11, 2023 between the Trust and Governor of the Punjab through Secretary, Specialized Healthcare and Medical Education Department, Government of Punjab (GoPb). Under the MOU:

- MUX is responsible for providing adequate resources in the annual budget and depute, post and assign such qualified, technical, professional and surgical / medical experts, paramedical staff and other experts of related disciplines, would also provide basic utilities without cost and the use of an appropriate stand-by generator and to ensure that the supply of medicines, equipment, supplies and other materials (including oxygen supply) is in accordance with best practices in respect of stock inventory; and
- the Trust is responsible for renovation and providing medical equipment, air conditioning and other essential equipment for the Children's Emergency Unit as and where necessary on its sole discretion. Further the Trust is responsible for efficiently managing the project and the facilities, developing proper inventory and data management systems, appointing qualified and professional experts and paramedic staff where required, arranging for the provisions of additional medicines and medical equipment where necessary, and may engage in technological advancements for compliance with medical protocols and improving the efficiency and quality of care.

1.7 The Trust is also managing Telemedicine Satellite Centers in the province of Punjab under letter no. SO(EP&C)3-20/2018 dated May 4, 2023 issued by the Primary & Secondary Healthcare Department, GoPb.

1.8 The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Acts [i.e. Sindh Trust Act, 2020, Punjab Trust Act, 2020, Balochistan Trust Act, 2020, KPK Trust Act, 2020 and Islamabad Capital Territory (ICT) Trust Act, 2020] as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration under the Trust Acts have been introduced. The Trust was required to be registered under the "Sindh Trusts Act, 2020" (the Sindh Trust Act). Accordingly, on June 2, 2023 the Trust Deed of the trust had been registered under the Sindh Trust Act. Moreover, as the Trust is registered under the province of Sindh hence it is not required to be registered under other Provincial Trust Acts.

1.9 In pursuance of section 42 "Licencing of association with charitable and not for profit objects" of the Companies Act 2017, the Securities and Exchange Commission of Pakistan has granted license to ChildLife Foundation to be registered as a public limited company without addition of the words "Limited" or "(Guarantee) Limited" to its name on February 27, 2025. Under the conditions for grant of this license, the newly incorporated Public Limited Company will take over and otherwise acquire all the assets, liabilities, rights, properties and / or undertaking of the existing entity, namely ChildLife Foundation which is currently registered under the Sindh Trust Act, 2020 and thereafter, within three months of incorporation of ChildLife Foundation (the Company) as a company and after taking over all the assets and liabilities by the Company, the existing entity shall be dissolved, in compliance of provisions of relevant laws, rules and regulations in respect of taking over assets and liabilities of the existing entity.

ChildLife Foundation, a company limited by guarantee and not having share capital was incorporated on May 7, 2025 has taken over the assets, liabilities, rights, properties and / or undertaking of the existing entity subsequent to the year end June 30, 2025. The Directorate of Industries & Commerce, Sindh (Karachi) has issued a Trust dissolution certificate to ChildLife Foundation on August 8, 2025. These financial statements have been prepared on a going concern basis as the assets, liabilities, rights, properties and / or undertaking of the Trust has been taken over as "running as a normal charitable and not for profit entity".

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRSs) issued by International Accounting Standards Board (IASB) as notified by the Securities and Exchange Commission of Pakistan (SECP); and
- Accounting Standard for Not for Profit Organizations (Accounting Standard for NPOs) issued by the Institute of Chartered Accountants of Pakistan (ICAP).

Wherever the requirements of the IFRS Accounting Standards differ with the requirements of the Accounting Standard for NPOs, the requirements of the IFRS Accounting Standards shall prevail.

2.2 Amendments to accounting and reporting standards which become effective during the current year and early adopted by the Trust:

There are certain amendments to the published accounting and reporting standards that are mandatory for the Trust's annual accounting period beginning on July 1, 2024. However, these are not considered to be relevant or did not have any material effect on the Trust's financial statements and have, therefore, not been disclosed in these financial statements.

2.3 New standards and amendments to accounting and reporting standards that are not yet effective

2.3.1 There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Trust for its annual periods beginning on or after July 1, 2025. However, these are not considered to be relevant or did not have any material effect on the Trust's financial statements except for:

- The new standard - IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) (published in April 2025) with applicability date of January 1, 2027 by IASB. IFRS 18 when adopted and applicable shall impact the presentation of 'Income Statement' with certain additional disclosures in the financial statements; and
- Amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers with effective date of January 1, 2026. The amendment when applied may impact the timing of recognition and derecognition of financial liabilities.

3 BASIS OF MEASUREMENT

3.1 Accounting convention

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

3.2 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 the Trust's functional and presentation currency.

3.3 Critical accounting estimates and judgments

The preparation of financial statements in conformity with accounting standards, as applicable in Pakistan, requires management to make estimates, assumptions and use judgements that affect the application of accounting policies and

the reported amounts of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The assumptions underlying the estimates are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The areas where various assumptions and estimates are significant to the Trust's financial statements or where judgement was exercised in application of accounting policies are as follows:

- a) Useful lives, residual values and depreciation method of operating fixed assets (notes 4.1 and 5);
- b) Useful life, residual value and amortisation method of intangible assets (notes 4.3 and 7);
- c) Impairment of financial and non-financial assets (notes 4.4 and 4.5.1.2);
- d) Investments in financial assets (notes 4.5 and 10); and
- e) Provisions (note 4.12);
- f) Leases (notes 4.2 and 16).

4 MATERIAL ACCOUNTING POLICY INFORMATION

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

4.1 Operating fixed assets

These are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation is charged to statement of income and expenditure using the straight line method at the rates specified in note 5 to the financial statements.

In respect of additions and disposals during the year, depreciation is charged from the month of acquisition and up to the month preceding the disposal respectively.

The residual values and useful lives of operating fixed assets are reviewed and adjusted, if appropriate, at each reporting date.

Assets are derecognised when disposed off or when no future economic benefits are expected from its use or disposal. Gains or losses on disposal of operating fixed assets, if any, are recognised in the statement of income and expenditure as and when incurred.

Repairs and maintenance costs are recognised in the statement of income and expenditure as and when incurred.

4.2 Right-of-use assets and lease liabilities

The right-of-use assets is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred, any estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received. The right-of-use asset is depreciated using the straight line method over the lease term as this method most closely reflects the expected pattern of consumption of future economic benefits. The right-of-use asset is reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Trust's incremental borrowing rate. The extension and termination options are incorporated in the determination of the lease term only when the Trust is reasonably certain to exercise these options.

The lease liability is subsequently measured at amortised cost using the effective interest rate method. It is remeasured when there is a change in future lease payments arising from a change in fixed lease payments or an index or rate, change in the Trust's estimate of the amount expected to be payable under a residual value guarantee. The corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in statement of income and expenditure if the carrying amount of right of use of asset has been reduced to zero.

The Trust applies recognition exemption towards short-term leases (note 16.2).

4.3 Intangible assets

Intangible assets comprise of cost of computer software and is stated at cost less accumulated amortisation and accumulated impairment losses, if any. The cost of intangible assets is amortised over the estimated useful life stated in note 7 using the straight line method. Costs associated with maintaining the computer software are recognised as expense in the statement of income and expenditure as and when incurred. The useful life, residual value and amortisation method of intangible asset is reviewed and adjusted, if appropriate, at each reporting date.

4.4 Impairment of non-financial assets

The Trust assesses at each reporting date 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 recognised in the statement of income and expenditure. 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 the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised. Reversal of impairment loss is recognised as income.

4.5 Financial instruments

4.5.1 Financial assets

4.5.1.1 Classification and subsequent measurement

The Trust has applied IFRS 9 and classifies its financial assets in the following measurement categories:

- at amortised cost;
- at fair value through other comprehensive income (FVOCI); and
- at fair value through profit and loss (FVTPL).

The classification requirements for debt and equity instruments are described below:

(i) Debt instruments

Debt instruments are those instruments that meet the definition of a financial liability from the issuer's perspective, such as loans, government and corporate bonds and puttable instruments like units of open-ended mutual funds.

Classification and subsequent measurement of debt instruments depend on:

- the Trust's business model for managing the asset; and
- the cash flow characteristics of the asset.

Based on these factors, the Trust classifies its debt instruments in one of the following three measurement categories:

a) At amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest (SPPI), and that are not designated at FVTPL, are measured at amortised cost. The carrying amount of these assets is adjusted by any expected credit loss allowance recognised and measured as described in note 4.5.1.2.

b) Fair value through other comprehensive income (FVOCI)

Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent solely payments of principal and interest (SPPI), and that are not designated at FVTPL, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, recognised and measured as described in note 4.5.1.2, interest revenue and foreign exchange gains and losses on the instrument's amortised cost which are recognised in the statement of income and expenditure. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to the statement of income and expenditure.

c) Fair value through profit and loss (FVTPL)

Assets that do not meet the criteria for classification at amortised cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL and is not part of a hedging relationship is recognised in the statement of income and expenditure in the period in which it arises.

4.5.1.2 Impairment

The Trust assesses on a forward looking basis the expected credit losses (ECL) associated with its debt instrument assets carried at amortised cost and FVOCI. The Trust recognises a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions

4.5.1.3 Derecognition

Financial assets, or a portion thereof, are derecognised when the contractual rights to receive the cash flows from the assets have expired, or when they have been transferred and either:

- (i) the Trust transfers substantially all the risks and rewards of ownership; or

- (ii) the Trust neither transfers nor retains substantially all the risks and rewards of ownership and the Trust has not retained control.

4.5.2 Financial liabilities

All financial liabilities are recognised initially at fair value less directly attributable cost, if any, and subsequently measured at amortised cost.

4.5.2.1 Derecognition of financial liabilities

The Trust derecognises financial liabilities when, and only when, the Trust's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of income and expenditure.

4.6 Offsetting of financial assets and liabilities

Financial assets and liabilities are offset and the net amount is reported in the financial statements only when there is a legally enforceable right to set off the recognised amount and the Trust intends either to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

4.7 Foreign currency transactions and translation

Foreign currency transactions are translated into reporting currency at the rates of exchange prevailing on the date of transactions. Monetary assets and liabilities, denominated in foreign currencies are translated into reporting currency equivalents using year-end spot foreign exchange rates. Non-monetary assets and liabilities are translated using exchange rates that existed when these were initially recognised.

Gains and losses arising on retranslation are included in the statement of income and expenditure for the period.

4.8 Retirement benefit obligation

4.8.1 Defined contribution plan

The Trust also operates an unrecognised provident fund scheme for the permanent employees. Contributions to fund are made monthly by the Trust and employee at the rate of 8.33% of the basic salary. The Trust's contributions are recognised as employee benefit expense when they are due.

4.9 Consumables

Consumables include medicines and general store items purchased by the Trust and received as donation from CHK, NICH, SGHK, ASH, NWB, LKN, LGH, GMMMC, LUMHS, CHQ, MHL, MUX and PIMS. They are initially recorded at the cost and are subsequently valued using the weightage average cost method.

4.10 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purpose of the cash flow statement, cash and cash equivalents comprise of balances with banks and short term highly liquid investments with original maturity within three months.

4.11 Creditors, accrued and other liabilities

Liabilities for creditors, accrued and other amounts payable are carried at cost which is the fair value of the consideration

to be paid in the future for goods and services received, whether or not billed to the Trust.

4.12 Provisions

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

4.13 Advances, deposits and prepayments

These include advance to suppliers for contract work at emergency care units, security deposit made against rented property and prepayments. These are stated at cost less estimates made for doubtful receivables based on review of all outstanding amounts at year end. Balances considered bad and irrecoverable are written off when identified.

4.14 Taxation

The Trust is registered with the income tax authorities as a non-profit organisation under section 2(36)(c) of the Income Tax Ordinance, 2001 read with Rules 212 and 220 of the Income Tax Rules, 2002. The Trust does not account for taxation, as non-profit organisations are allowed a tax credit equal to one hundred percent (100%) of the tax payable including minimum tax and final tax payable, under section 100C of the Income Tax Ordinance, 2001, subject to fulfilment of certain conditions stipulated therein.

4.15 Income recognition

4.15.1 Donations

Donation contributions are recognised on receipt basis.

4.15.2 Donations in kind

Medicines and other donations received in kind are recorded at fair value, being the deemed cost of the Trust, as and when they are received.

4.15.3 Zakat received

Zakat represents actual amount transferred to income in accordance with approval received from the Zakat Management Committee (ZMC).

Donation and Zakat contributions related to specific operating fixed assets are recognised as deferred income and amortised over the useful lives of the asset when the asset is available for intended use.

4.16 Fund accounting

Resources are categorised, for accounting and reporting purposes, into funds in accordance with activities or objectives specified by the donor. Accordingly, two main groups of funds are distinguished - Un-restricted and Restricted funds.

4.16.1 Un-restricted funds

Un-restricted funds have been established to meet the operational expenses of the Trust from funds received during the year. These include the General fund and the Inception fund.

4.16.1.1 General Fund

General fund is used to record all resource inflows and outflows that are not associated with specific funds.

4.16.1.2 Inception Fund

Inception fund represents the initial token amount received by the Trust at the time of formation of the Trust.

4.16.2 Restricted funds

The Trust's restricted funds include Zakat fund, Endowment fund and Strategic fund.

4.16.2.1 Zakat fund

Zakat funds received are utilised for the operating expenses of the Trust in accordance with approved ZMC guidelines.

As recommended by the ZMC, the fund was created for the benefits of Zakat eligible patients. All the funds received on account of Zakat are directly credited to the fund. Each year, the utilisation of Zakat funds for operating expenses are duly approved by the ZMC and endorsed by the Board of Trustees.

In a meeting held on June 6, 2015, the ZMC recommended 67% of operating expenses except for depreciation as adjustable from Zakat fund. The ZMC also approved the utilisation of Zakat fund for patient consultation as per actual number of Zakat eligible patients. This was endorsed by the Board of Trustees in their meeting held on June 21, 2015.

4.16.2.2 Endowment fund

Endowment fund has been created with the approval of the Trustees for the purpose of achieving sustainability. This fund is invested in Islamic investments. Realized gain on investments pertaining to the Endowment fund are appropriated to the Endowment fund through an appropriation of surplus. Investment income earned on Endowment fund is utilised for operating expenses of the Trust.

4.16.2.3 Strategic fund

The Trust receives funds each year for strategic purposes such as establishing new Children's Emergency Care Units and TMSCs in various cities of Pakistan. At the discretion of donors, it has set aside these funds solely for the expansion of such units and for their routine operating expenditures.

4.17 Government Grant

Government grants are recognised at the fair value of consideration received. A grant that imposes specified future performance obligations is recognised in income when all those conditions are met. Government grants are recognized in the statement of income and expenditure on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate and are presented separately in "strategic fund utilised".

5 OPERATING FIXED ASSETS

	June 30, 2025					
	Furniture and fixtures	Office equipment	Computer equipment	Medical equipment	Motor vehicle	Total
	(Rupees in '000)					
At July 1, 2024						
Cost	35,035	183,491	96,518	272,065	4,053	591,162
Accumulated depreciation	(22,226)	(97,486)	(57,652)	(115,825)	(1,892)	(295,081)
Net book value	12,809	86,005	38,866	156,240	2,161	296,081
Additions during the year	2,171	25,364	23,724	45,922	-	97,181
Disposals						
Cost	(477)	(10,835)	(4,524)	(2,617)	-	(18,453)
Accumulated depreciation	435	10,592	4,325	2,586	-	17,938
	(42)	(243)	(199)	(31)	-	(515)
Depreciation charge for the year (note 5.2)	(4,120)	(29,486)	(25,130)	(48,294)	(811)	(107,841)
Closing net book value	10,818	81,640	37,261	153,837	1,350	284,906
At June 30, 2025						
Cost	36,729	198,020	115,718	315,370	4,053	669,890
Accumulated depreciation	(25,911)	(116,380)	(78,457)	(161,533)	(2,703)	(384,984)
Net book value	10,818	81,640	37,261	153,837	1,350	284,906
Depreciation rate per annum	20%	20%	33%	20%	20%	
	June 30, 2024					
	Furniture and fixtures	Office equipment	Computer equipment	Medical equipment	Motor vehicle	Total
	(Rupees in '000)					
At July 1, 2023						
Cost	24,507	127,640	70,841	134,423	4,053	361,464
Accumulated depreciation	(18,981)	(77,243)	(42,400)	(84,583)	(1,081)	(224,288)
Net book value	5,526	50,397	28,441	49,840	2,972	137,176
Additions during the year	10,723	60,195	28,735	138,075	-	237,728
Disposals						
Cost	(195)	(4,344)	(3,058)	(433)	-	(8,030)
Accumulated depreciation	186	3,642	2,935	384	-	7,147
	(9)	(702)	(123)	(49)	-	(883)
Depreciation charge for the year (note 5.2)	(3,431)	(23,885)	(18,187)	(31,626)	(811)	(77,940)
Closing net book value	12,809	86,005	38,866	156,240	2,161	296,081
At June 30, 2024						
Cost	35,035	183,491	96,518	272,065	4,053	591,162
Accumulated depreciation	(22,226)	(97,486)	(57,652)	(115,825)	(1,892)	(295,081)
Net book value	12,809	86,005	38,866	156,240	2,161	296,081
Depreciation rate per annum	20%	20%	33%	20%	20%	

- 5.1** The operating fixed assets of the Trust include capitalized assets purchased via funding received from its strategic partnerships with the Government of Sindh (GOS) and Government of Balochistan (GOB). The partnerships are governed by MOUs signed with the GOS and the GOB. The arrangements with GOS are for a period of 10 years extendable with consent of both parties, while arrangements with GOB are for a period of three years, and after three years they will be extendable with consent of both parties. The Trust has capitalized the assets as the substantial period of useful lives of these assets falls within the length of contract where the Trust will control the assets and receive the economic benefits flowing from them.

The purchase of the above assets is reflected in the statement of income and expenditure as part of 'Strategic fund utilised' and recognised as revenue when the Trust utilises them for the purpose of the funding, i.e. to operate the Emergency Care Units.

- 5.2** The depreciation charge for the year has been allocated as follows:

	Note	2025	2024
		(Rupees in '000)	
Operating expenses	21	102,030	73,744
Administrative expenses	22	5,811	4,196
		107,841	77,940

6 RIGHT-OF-USE ASSETS

Net carrying value

Balance as at July 1		61,451	-
Additions during the year		-	69,567
Depreciation charge for the year	22	(13,913)	(8,116)
Balance as at June 30		47,538	61,451

Gross carrying value

Cost		69,567	69,567
Accumulated depreciation		(22,029)	(8,116)
Net book value		47,538	61,451

Depreciation rate per annum	20%	20%
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- 6.1** This represents right-of-use assets recognised in respect of space provided for the Head Office of the Trust free-of-cost for a period of five years.

7 INTANGIBLE ASSETS

Particulars	Cost				Accumulated amortization			Carrying value		Annual rate of amortization
	At July 1, 2024	Addition during the year	Disposal	At June 30, 2025	At July 1, 2024	Charge for the year	Accumulated amortization on Disposal	At June 30, 2025	At June 30, 2025	
	(Rupees in '000)									%
Computer software	9,877	14,706	-	24,583	9,766	2,562	-	12,328	12,255	33

Particulars	Cost				Accumulated amortization			Carrying value		Annual rate of amortization
	At July 1, 2023	Addition during the year	Disposal	At June 30, 2024	At July 1, 2023	Charge for the year	Accumulated amortization on Disposal	At June 30, 2024	At June 30, 2024	
	(Rupees in '000)									%
Computer software	9,877	-	-	9,877	9,137	629	-	9,766	111	33

	Note	2025	2024
		(Rupees in '000)	
Operating expenses	21	103	580
Administrative expenses	22	2,459	49
		2,562	629

- 7.1** The amortisation charge for the year has been allocated as follows:

		2025	2024
	Note	(Rupees in '000)	
8 CONSUMABLES			
Balance as at July 1		358,969	207,973
Purchases during the year		1,276,581	1,076,904
Consumables received in kind	20.1	59,414	64,082
Consumed during the year		(1,218,680)	(989,990)
Balance as at June 30		<u>476,284</u>	<u>358,969</u>

9 ADVANCES, DEPOSITS AND PREPAYMENTS

Advance to suppliers	9.1	4,149	12,586
Advance to staff		552	704
Security deposits	9.2	8,573	4,748
Prepayments	9.3	5,235	2,883
		<u>18,509</u>	<u>20,921</u>

9.1 This represents advance given for the following purposes:

Advance against operating fixed assets	107	7,259
Advance against maintenance expense - software	1,912	1,522
Promotional expenses	-	697
Others	2,130	3,108
	<u>4,149</u>	<u>12,586</u>

9.2 This represents security deposits given in relation to rental agreement for warehouse, lease agreement for head office, rental agreement for telemedicine control rooms, water supply, oxygen and LPG cylinders.

	Note	2025	2024
		(Rupees in '000)	
9.3 This represents prepayments made for the following purposes:			
Rent		-	1,543
Insurance		5,235	1,340
		<u>5,235</u>	<u>2,883</u>

10 SHORT-TERM INVESTMENTS

At amortised cost

Islamic term deposit receipts with banks (TDRs)	10.1 & 10.2	440,000	635,031
Ijarah Sukuks		-	100,000
		<u>440,000</u>	<u>735,031</u>

10.1 This includes investments made from Endowment and other funds.

10.2 These TDRs carry return at the rates ranging from 9.25% to 9.9% (2024: 17.50% to 20.10%) per annum and are due to mature between Sep 2025 to May 2026.

		2025	2024
		(Rupees in '000)	
11 OTHER RECEIVABLES			
Accrued interest on:			
- Bank deposits		29,684	2,937
- TDRs		3,622	12,971
- Ijarah Sukuks		-	4,729
		33,306	20,637
Full and final settlement receivable - relating to employees		4,509	3,022
Others		3,254	613
		41,069	24,272

12 CASH AND BANK BALANCES

Local currency

Cash in hand		529	436
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Cash at banks:

Current accounts	12.1	257,152	199,132
Savings accounts	12.2 & 12.3	1,435,584	488,383
		1,692,736	687,515

Foreign currency

Cash at banks in savings account	12.2	1,645,045	1,833,128
		3,338,310	2,521,079

12.1 These include Zakat current accounts amounting to Rs. 132.263 million (2024: Rs. 187.059 million).

12.2 These carry return at the rates ranging from 0.25% to 9% (2024: 0.25% to 18.5%) per annum.

12.3 These include balances maintained in T Call accounts amounting to Rs. 1,009.458 million. These carry return at the rate of 9% per annum.

	Note	2025	2024
		(Rupees in '000)	
13 ZAKAT FUND			
Zakat available for utilisation			
Balance as at July 1		187,059	22,292
Received during the year	13.1	697,102	921,048
		884,161	943,340
Zakat utilised during the year			
Zakat utilised for operating expenses	13.2	(751,898)	(756,281)
Zakat utilised for general and administrative expenses		-	-
Zakat utilised for CAPEX		-	-
Balance as at June 30		132,263	187,059
Closing balance of the zakat is represented by:			
Cash at bank balances related to zakat balances	12.1	132,263	187,059

13.1 This represents funds received from individuals and corporate donors during the year for running operations of Emergency Care Units in Pakistan.

13.2 This represents utilisation of funds in meeting operational expenses of Emergency Care Units in CHK, NICH, SGHK, ASH, NWB, LKN, LGH, GMMMC, LUMHS, CHQ, PIMS, MHL, MUX and TMSCs in accordance with ZMC guidelines. During the year, 18.91% (2024: 22.36%) of operating expenses (excluding depreciation and amortisation) have been utilised from the Zakat fund.

	Note	2025 ———— (Rupees in '000) ————	2024 ————
14 STRATEGIC FUND			
Balance as at July 1		621,616	760,826
Received during the year	14.1	3,928,446	2,131,210
Utilised during the year	14.2	(3,643,042)	(2,270,420)
Balance as at June 30	14.3	907,020	621,616
14.1	This represents funds received during the year for construction and running operations of Emergency Care Units in Pakistan. These include funds received from GoS, GoB, GoPb, Bank Al Habib Limited, National Bank Limited and Infaq Foundation.		
14.2	This represents utilisation of funds in meeting operational expenses of Emergency Care Units in CHK, NICH, SGHK, ASH, NWB, LKN, LGH, GMMMC, LUMHS, CHQ, PIMS, MHL, MUX and TMSCs.		
14.3	The management intends to utilise these funds for meeting the expenditures of Emergency Care Units in Pakistan.		
	Note	2025 ———— (Rupees in '000) ————	2024 ————
15 DEFERRED INCOME RELATED TO OPERATING FIXED ASSETS			
Balance as at July 1		26,291	2,494
Assets purchased during the year		1,452	27,254
Amortisation during the year	20	(6,242)	(3,457)
Balance as at June 30	15.1	21,501	26,291
15.1	This represents deferred income related to operating fixed assets to be recognised:		
Within one year		4,300	5,258
After one year		17,201	21,033
		21,501	26,291
16 LEASE LIABILITIES			
Balance as at July 1		65,903	-
Additions during the year		-	69,567
Unwinding of discount on lease liability	16.3	9,928	6,305
Donation in lieu of repayment of rent	20.1	(18,087)	(9,969)
Balance as at June 30		57,744	65,903
16.1	Lease liabilities included in statement of financial position as at June 30		
Current		11,498	8,160
Non-current		46,246	57,743
		57,744	65,903
16.2	Lease payments on short-term leases amounting to Rs. 20.01 million (2024: Rs. 23.899 million) have been recognised as expense during the year.		
16.3	This amount represents the unwinding of the discount on the lease liability recognised in respect of the right-of-use asset relating to premises made available to the Trust for its Head Office at no charge for a period of five years, in accordance with the recognition and measurement requirements of IFRS 16 Leases.		

	Note	2025 ———— (Rupees in '000) ————	2024 ————
17 CREDITORS, ACCRUED AND OTHER LIABILITIES			
Creditors	17.1	259,368	232,917
Accrued liabilities	17.2	141,845	138,514
Others	17.3	24,655	29,806
		425,868	401,237
17.1 Creditors			
Payables relating to medicines & medical supplies		117,277	75,122
General payables		29,063	123,326
Other payables		113,028	34,469
		259,368	232,917
17.2 Accrued liabilities			
Salary & benefits payable		1,908	1,172
Leave encashment payable		49,895	41,539
Full and final settlement payables - relating to employees		501	501
Provident fund payable		9	-
EOBI payable		-	2
Other accrued payables		1,886	33
Provision for audit expenses		850	800
Provision for monthly expenses		86,796	94,467
		141,845	138,514
17.3 Others			
Retention payable	17.3.1	1,600	15,502
Withholding tax payable		23,055	14,304
		24,655	29,806

17.3.1 Retention money is withheld at the rate of 5.00% (2024: 5.00%) on the amount of invoices paid to contractors.

18 CONTINGENCIES AND COMMITMENTS

18.1 Contingencies

18.1.1 On May 30, 2022, the Deputy Commissioner Inland Revenue (DCIR) issued a demand of Rs. 40.830 million pertaining to tax year 2019 that the Trust has not obtained approval from the Chief Commissioner in order to become eligible for tax credit as required under section 100C(2)(c) of the Income Tax Ordinance 2001. In calculating the tax demand DCIR made an addition on account of exchange gain amounting to Rs. 56.218 million despite the fact that said exchange gain has already been declared by the Trust as part of taxable income in the return of income. Being aggrieved by the decision, the Trust in consultation with its tax consultant filed an appeal before the Commissioner (Appeals). Commissioner (Appeals) passed an order under section 129(1) of the Income Tax Ordinance, 2001, dated October 26, 2022, whereby it had confirmed the demand of Rs. 40.83 million, however, deleted the addition on account of exchange gain. The Trust has challenged the order passed by Commissioner (Appeals) before Appellate Tribunal Inland Revenue (ATIR) and simultaneously filed stay application. against which Tribunal has passed the order with directions to the department to issue 15 days prior recovery notice before the intended recovery measures. The decision against main appeal is pending to date.

Further, the tax department has also filed a cross appeal before ATIR being aggrieved by the decision of Commissioner (Appeals) on account of exchange gain.

In this regard, on 30th May 2025, the DCIR has passed order to give appeal effect under section 124/120 of the Ordinance wherein demand of Rs 24,526,293/- on account of disallowance of tax credit under section 100C has been created. Against the order of appeal effect order of the DCIR, the company has filed appeal before the Appellate Tribunal Inland Revenue.

Based on the advice of its tax advisor, the Trust believes that these cases would be decided in favor of the Trust. Therefore, no provision has been recognised in these financial statements.

- 18.1.2** On February 20, 2023, the Deputy Commissioner Inland Revenue (DCIR) issued a show cause notice under section 4C of the Income Tax Ordinance, 2001 for the tax year 2022. The notice was passed relating to super tax by raising demand of Rs. 4.978 million. The Trust has responded to the notice on the grounds that the Trust is a non-profit organisation under section 2(36)(c) of Income Tax Ordinance and is also subject to 100% tax credit under section 100 of the Ordinance.

Based on the advice of its tax advisor, the Trust believes that the case would be decided in favor of the Trust. Therefore, no provision has been recognised in these financial statements.

	2025	2024
	(Rupees in '000)	
19 MAJOR SOURCES OF CONTRIBUTIONS		
Major contributories of the Trust during the year are as follows:		
Government of Sindh	2,800,000	1,600,000
ChildLife America	1,076,931	898,547
Government of Balochistan	325,000	190,000
Government of Punjab	200,000	200,000
Bank AL Habib Limited	45,000	20,000
Lucky Textile Mills Limited	30,000	20,000
Beltexco Limited	28,000	-
Artistic Garments Industries (Private) Limited	24,000	24,000
Salim Winding Works	20,000	-
Helping Hands	15,409	5,627
Shahbaz Garments (Private) Limited	13,898	27,780
PIMS Hospital Islamabad	12,315	7,783
National Bank of Pakistan	10,000	-
Habib Metropolitan Bank Limited	8,000	9,000
Seagold (Private) Limited	7,600	3,925
Dr.Ruth Pfau Civil Hospital Karachi	7,301	9,886
Liaquat University Hospital Hyderabad	7,012	11,946
Ismail Industries Limited	6,400	6,000
UBL Ameen	6,000	300
Chandka Medical College Larkana	5,576	6,344
National Institute of Child Health (NICH)	5,113	9,749
Lucky Core Industries Limited	5,000	7,500
Indus Motor Company Limited	5,000	3,000
Mother and Child Care Hospital Nawabshah	2,679	4,966
Sindh Government Lyari General Hospital	1,194	1,160
GMC Sukkur Hospital	1,182	2,214
Other individuals, corporates and non-profit organizations	361,099	485,309

		2025	2024
	Note	(Rupees in '000)	
20 INCOME			
Strategic fund utilised	14	3,643,042	2,270,420
Donations			
Received in cash / bank		145,743	175,861
Received in kind	20.1	77,501	74,051
Zakat utilised for operating expenses	13.2	751,898	756,281
Amortisation of deferred income related to operating fixed assets	15	6,242	3,457
Other income - net	20.2	199,921	209,698
		4,824,347	3,489,768

20.1 Received in kind

Medicines and consumables received in kind	20.1.1	59,414	64,082
Donation in lieu of repayment of rent	16	18,087	9,969
		77,501	74,051

20.1.1 This includes medicines received from CHK, NICH, SGHK, ASH, NWB, LKN, LGH, GMMMC, LUMHS, CHQ, MHL, PIMS and MUX for Emergency Care Units operated by the Trust.

	2025	2024
	(Rupees in '000)	
20.2 Other income - net		
Profit on bank deposits	93,639	98,468
Income from TDRs	71,061	141,653
Income from Ijarah Sukuks	5,013	13,080
Exchange gain / (loss)	26,765	(44,212)
Gain on sale of operating fixed assets	2,672	-
Others	771	709
	199,921	209,698

21	OPERATING EXPENSES	Note	2025	2024
			(Rupees in '000)	
	Salaries and benefits	24	1,414,199	1,158,923
	Third party contractual services		618,761	417,344
	Lab services		138,210	144,199
	Medicines consumed		1,036,375	902,161
	Project renovation		48,856	161,028
	Depreciation on operating fixed assets	5.2	102,030	73,744
	Amortisation of intangible assets	7.1	103	580
	Supplies and consumables		158,497	135,806
	Oxygen supplies		207,652	137,528
	Repairs and maintenance		101,104	66,265
	Travelling and related expenses		66,901	73,372
	Utilities		151,741	102,830
	Cartage		32,438	31,815
	Insurance		17,776	14,635
	Training and development		6,222	7,901
	Information system maintenance		706	393
	Legal and professional		10,369	4,638
	Rentals and maintenance	21.1.1	20,010	22,359
	Others	21.1	2,246	1,417
			4,134,196	3,456,938

21.1 Others

Net loss on sale of operating fixed assets	-	86
Miscellaneous and other expenses	2,246	1,331
	2,246	1,417

21.1.1 This rent pertains to warehouse maintained in Karachi amounting to Rs. 3.50 million (2024: Rs. 8.82 million), telemedicine control rooms maintained in Lahore amounting to Rs. 8.68 million (2024: Rs. 6.42 million) and telemedicine control rooms maintained in Islamabad amounting to Rs. 7.83 million (2024: Rs. 7.12 million).

	Note	2025 ———— (Rupees in '000)	2024 ————
22 ADMINISTRATIVE EXPENSES			
Salaries and benefits	24	208,177	168,552
Third party contractual services		5,095	6,320
Project renovation		288	127,266
Depreciation on operating fixed assets	5.2	5,811	4,196
Depreciation on right-of-use assets	6	13,913	8,116
Amortisation of intangible assets	7.1	2,459	49
Supplies and consumables		12,172	9,116
Repairs and maintenance		1,038	1,570
Travelling and related expenses		7,155	5,247
Utilities		15,122	12,426
Insurance		2,639	3,025
Training and development		5,666	2,660
Information system maintenance		48,993	24,760
Legal and professional		9,004	8,224
Audit fee	22.1	850	825
Unwinding of discount on lease liability	16	9,928	6,305
Others	22.2	740	794
		<u>367,065</u>	<u>401,463</u>
22.1 Audit fee			
Annual audit fee		725	644
Out of pocket expense		62	120
Sales tax		63	61
		<u>850</u>	<u>825</u>
22.2 Others			
Bank charges		450	-
Loss on sale of operating fixed assets		-	18
Miscellaneous		290	776
		<u>740</u>	<u>794</u>
23 MARKETING EXPENSES			
Programmatic activities and preventive health care		7,546	8,179
Advertisement	23.1	96,339	61,480
		<u>103,885</u>	<u>69,659</u>

23.1 This includes resource mobilisation, fund raising and advertisement cost for Emergency Care Units.

24 SALARIES AND BENEFITS

- 24.1** Salaries and benefits include Rs. 43.49 million (2024: Rs. 35.35 million) in respect of contribution to employees' provident fund.

25 TAXATION

The Trust has been approved as a non-profit organization under Section 2(36)(c) of the Income Tax Ordinance, 2001 (the Ordinance). The Trust is allowed tax credit equal to 100% of the tax payable including minimum tax and final taxes, under section 100C of the Ordinance. The management intends to avail a tax credit equal to 100% of the tax payable. Accordingly, no tax charge has been recorded in the financial statements.

As per section 100C of the Income Tax Ordinance, 2001, non profit organisations, trusts or welfare organisations as mentioned in sub section 2 of section 100C shall be allowed a tax credit equal to one hundred percent of the tax payable, including minimum and final tax payable under any of the provisions 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 relevant tax year have been filed;
- (d) the administrative and management expenditure does not exceed 15% of the total receipts;
- (e) approval of Commissioner has been obtained as per requirement of clause (36) of section 2;
- (f) none of the assets of trusts or welfare institutions confers, or may confer, a private benefit to the donors or family, children or author of the trust or his descendants or the maker of the institution or to any other person and where such private benefit is conferred, the amount of such benefit shall be added to the income of the donor; and
- (g) a statement of voluntary contributions and donations received in the immediately preceding tax year has been filed in the prescribed form and manner.

The Trust has complied with the aforementioned conditions of the Income Tax Ordinance, 2001 and obtained certificate from Pakistan Centre for Philanthropy.

The operations of the Trust fall within the purview of section 100C of the Income Tax Ordinance, 2001 and the tax credit of hundred percent is allowed under section 100C of the Income Tax Ordinance, 2001 in respect of tax payable including minimum and final taxes payable and consequently no charge has been recognised in these financial statements.

		2025	2024
	Note	(Rupees in '000)	
26 CASH AND CASH EQUIVALENTS			
Cash and bank balances	12	3,338,310	2,521,079
TDRs having original maturity of three months or less		300,000	300,000
		3,638,310	2,821,079

27 TRANSACTIONS WITH RELATED PARTIES

The related parties of the Trust comprise of employees' provident fund, trustees of the Trust, associated undertakings with common trustees and key management personnel. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Trust. The Trust considers Chief Executive Officer, Director Finance, Medical Director, Director Operations, Director Human Resources, Director Communications and Associate Director Quality as its key management personnel. Transactions with related parties not shown elsewhere in financial statements are as follows:

		2025	2024
		(Rupees in '000)	
Relationship with the Trust	Nature of Transaction		
ChildLife America (Mr. Osman Rashid is a common Trustee)	Endowment funds received	179,464	262,832
	Zakat received	336,521	635,715
	Strategic funds received	560,946	-
Lucky Textile Mills Limited (Mr. Sohail Tabba, the Trustee of ChildLife Foundation is Director of Lucky Textile Mills Limited)	Zakat received	30,000	20,000
Lucky Core Industries Limited (formerly ICI Pakistan Limited) (Mr. Sohail Tabba, the Trustee of ChildLife Foundation is Chairman of Lucky Core Industries Limited)	Purchases of medicines	1,247	2,319
	Donations received	5,000	7,500
Lucky Landmark (Private) Limited (Mr. Sohail Tabba, the Trustee of ChildLife Foundation is Chairman of Lucky Landmark (Private) Limited)	Payments made against maintenance, electricity and chilled water charges	29,806	14,134
Dr. Ahson Rabbani (Chief Executive Officer)	Donations received	2,028	1,703
Mr. Abid Ganatra (Trustee)	Zakat received	500	500
Mr. Sohail Tabba (Trustee)	Donations received	-	150

27.1 Remuneration of Chief Executive Officer and Key management personnel

	2025		2024	
	Chief Executive Officer	Key management personnel	Chief Executive Officer	Key management personnel
	(Rupees in '000)			
Gross salary (net of deductions)	16,665	32,819	15,598	30,380
Allowances and reimbursements	881	5,626	268	3,642
Provident fund contribution	1,002	2,289	1,014	1,875
	18,548	40,734	16,880	35,897
Number of persons	1	6	1	4

28 NUMBER OF EMPLOYEES

	2025	2024
	Number	Number
- At June 30	1,223	1,172
- Average during the year	1,206	1,101

29 FINANCIAL INSTRUMENTS BY CATEGORIES

	Note	June 30, 2025		
		At amortised cost	At fair value	Total
Financial assets		(Rupees in '000)		
Security deposits	9	8,573	-	8,573
Short-term investments	10	440,000	-	440,000
Other receivables	11	41,069	-	41,069
Cash and bank balances	12	3,338,310	-	3,338,310
		3,827,952	-	3,827,952

	Note	June 30, 2025		
		At amortised cost	At fair value	Total
Financial liabilities		(Rupees in '000)		
Creditors, accrued and other liabilities	17	425,868	-	425,868

	Note	June 30, 2024		
		At amortised cost	At fair value	Total
Financial assets		(Rupees in '000)		
Security deposits	9	4,748	-	4,748
Short-term investments	10	735,031	-	735,031
Other receivables	11	24,272	-	24,272
Cash and bank balances	12	2,521,079	-	2,521,079
		3,285,130	-	3,285,130

	Note	June 30, 2024	
		At amortised cost	Total
Financial liabilities		(Rupees in '000)	
Creditors, accrued and other liabilities	17	401,237	401,237

30 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Board of Trustees has overall responsibility for the establishment and oversight of the Trust's financial risk management. The responsibility includes developing and monitoring the Trust's risk management policies. To assist the Board in discharging its oversight responsibility, management has been made responsible for identifying, monitoring and managing the Trust's financial risk exposures. The Trust's exposure to the risks associated with the financial instruments and the risk management policies and procedures adopted by it are summarized as follows:

30.1 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Credit risk arises from the inability of the issuers of the instruments, relevant financial institution or counter parties, in case of placements or other arrangements, to fulfil their obligations.

Exposure to credit risk

Credit risk of the Trust mainly arises from balances with banks, security deposits, short-term investments and other receivables. The maximum exposure to credit risk at the reporting date is as follows:

	2025	2024
	(Rupees in '000)	
Security deposits	8,573	4,748
Other receivables	41,069	24,272
Short-term investments	440,000	735,031
Bank balances	3,338,310	2,521,079
	3,827,952	3,285,130

For security deposits, the management does not expect to incur material losses and considers that such amount is receivable upon termination of contract. For other receivables (includes accrued markup), bank balances and short-term investments, financial institutions with strong credit ratings are accepted. Credit risk on bank balances is limited as these are placed with banks having good credit ratings. The credit quality of banks as per credit rating agencies are as follows:

Name of banks	2025		2024	
	Rating		Rating	
	Short-term	Long-term	Short-term	Long-term
Habib Bank Limited	A1+	AAA	A1+	AAA
Meezan Bank Limited	A1+	AAA	A1+	AAA
Bank Al-Habib Limited	A1+	AAA	A1+	AAA
Bank Alfalah Limited	A1+	AAA	A1+	AAA
Dubai Islamic Bank Limited	A1+	AA	A1+	AA
Sindh Bank Limited	A1+	AA-	A1+	AA-
Habib Metropolitan Bank Limited	A1+	AA+	A1+	AA+

30.2 Liquidity risk

Liquidity risk is the risk that the Trust will not be able to meet its financial obligations as they fall due. To guard against the risk, the Trust has diversified funding sources and assets are managed with liquidity in mind, maintaining a healthy balance of cash and cash equivalents.

The following are the contractual maturities of financial liabilities:-

	2025		
	Contractual cash flows	Upto one year	More than one year
	(Rupees in '000)		
Financial liabilities			
Creditors, accrued and other liabilities	425,868	425,868	-
	2024		
	Contractual cash flows	Upto one year	More than one year
	(Rupees in '000)		
Financial liabilities			
Creditors, accrued and other liabilities	401,237	401,237	-

30.3 Market risk

Market risk is the risk that changes in market price, such as currency exchange rates and interest rates will affect the Trust's income or the value of its holdings of financial instruments.

Market risk comprises of three types of risks: currency risk, interest rate risk and other price risk.

30.3.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign currency risk arises mainly due to conversion of foreign currency assets and liabilities into local currency. The Trust monitors exchange rates on a regular basis.

As at the reporting date, the Trust is exposed to currency risk on its foreign currency bank account:

	2025	2024
	(Rupees in '000)	
Foreign currency bank account	1,645,045	1,833,128

The following exchange rates have been applied:

	Average rates		Reporting date rates	
	2025	2024	2025	2024
USD to PKR	279.34	283.24	283.76	278.34

As at the reporting date, if the Rupee is strengthened / weakened by 10% against the US dollar, with all other variables held constant, surplus for the year and total funds would have been lower / higher by Rs. 164.505 million (June 30, 2024: Rs. 183.313 million) mainly as a result of net foreign exchange loss / gain on translation of foreign currency bank account. This analysis assumes that all other variables, in particular interest rates, remain constant. The sensitivity analysis is performed on the same basis as for 2024.

30.3.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Sensitivity analysis for variable rate instruments:

As at the reporting date, the Trust has the following variable interest bearing assets where interest rate risk may arise due to fluctuations in the rates:

Financial assets	2025	2024
	(Rupees in '000)	
Variable rate instruments		
Savings accounts	<u>3,080,629</u>	<u>2,321,511</u>

With all other variables held constant, in case of 100 basis points increase / decrease in applicable rates at the last repricing date, the surplus of income over expenditure and total funds would have been higher / lower by Rs. 28.856 million (2024: Rs. 23.215 million).

31 FUND MANAGEMENT

The objective of the Trust when managing funds is to safeguard its ability to continue as a going concern so that it can invest in profitable investments and earn benefits which in turn, can help the Trust to grow and contribute to its objectives; and to maintain a strong fund base to support the sustained development of the Trust and to maintain confidence of donors, creditors and market.

32 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. Consequently, differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Trust is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the statement of assets and liabilities date. The estimated fair value of all other financial assets and liabilities is considered not to be significantly different from the respective book values.

32.1 Fair value hierarchy

International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Fund to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: 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); and

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

The Trust has not disclosed the fair value of its financial assets and financial liabilities as these are either short-term in nature or re-priced periodically. Therefore, their carrying amounts are reasonable approximation of fair value.

33 RECLASSIFICATION

Comparative figures have been re-arranged and re-classified for the purpose of better presentation, the effect of which is not material.

34 GENERAL

34.1 Rounding off

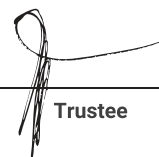
Figures have been rounded off to the nearest thousand rupees unless otherwise specified.

35 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Trustees on November 8, 2025.



Trustee



Trustee

فرد قائم ربطِ ملت سے ہے تنہا کچھ نہیں
موج ہے دریا میں اور بیرونِ دریا کچھ نہیں

- علامہ محمد اقبال



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