



Habib University Foundation

DIRECTORS' REPORT

The Board of Directors of Habib University Foundation (the Foundation) are pleased to present the 11th Annual Report along with the audited accounts for year ended June 30, 2018.

The Foundation, a not-for-profit organization, incorporated under section 42 of the Companies Act, 2017 (formerly Companies Ordinance, 1984) in line with its objectives continues to focus on providing opportunities to the youth of quality education through the Habib University. We believe that appropriate nurturing of human potential is essential in the creation of a socially and morally responsible society critically required in today's world. The report therefore covers some of the important highlights amongst many achieved by the University during the year, as under:

- With each passing year, the number of students applying for enrolment at the University is increasing. The University entered its fourth academic year with 240 incoming students from diverse backgrounds thereby increasing the overall student community to 703 enrolled students.
- Efforts also continued to add diverse courses to address immediate student needs. Some academic minors and languages were included in the academic offerings like English and Comparative Literature, while Pushto and Persian as indigenous language choices were included in regional languages.
- A total of 15 students went abroad as part of the Learn Abroad Summer 2017 to Stanford, Michigan-Ann Arbor, University of California-Berkeley and National University of Singapore and performed with excellence.
- As part of the continuous improvement process, the academic governance framework at both schools is critically reviewed for the functioning of the Board of Studies at the program level and the Board of Faculty at the School level. The main focus is to develop processes that review all courses in depth, analytically examining the learning outcomes, the student assessment framework, pedagogical strategy and recommended text of each course pitched by the faculty with the aim to address overall student experience in each school, elective choices within the schools and connection to the larger student life environment at the University.
- As in the past, the University continued to host notable personalities and hold conferences, some of which are briefly mentioned below:
 - Notable academics who visited included Dr. Nigel Boyle Vice President of Pitzer College, Dr. Patrick Heller, Professor of Social Sciences at Brown University visited the University, Dr. Syed Tasnim Raza Associate Professor of Surgery at Columbia University, John Armstrong a design practitioner from Stanford University and several others.
 - Hosted the 3rd Postcolonial Higher Education Conference with keynote speaker Dr. Mwangi wa Githinji, Associate Professor of Economics from the University of Massachusetts-Amherst in USA besides other international and local speakers.
 - Notable personalities who visited the University included Muhammad Zubair - former Governor Sindh, Dr. Ishrat Hussain - former Governor State Bank of Pakistan, Zia Mohyeddin - a contemporary legend in Urdu poetry and literature and master in the art of recitation, Anwar Maqsood - scriptwriter, satirist & humorist and Sadiq Khan – Mayor of London.

(Habib University Foundation is registered under section 42 of the Companies Ordinance, 1984)

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- The first Habib University President's Conference, "Questioning South Asia" was held which brought together a diverse group of scholars. Top global scholars included Dr. Markus Daechsel from Royal Holloway, University of London was keynote speaker.
 - Dr. Maria Klawe President of Harvey Mudd College presented the 2018 Yohsin Lecture emphasizing on the essential of diversity of subjects studied to becoming a better human being.
 - In memory of Dr. Saba Mahmood, an exceptional scholar, a memorial was held which was very well attended by family & friends, colleagues, faculty and students in which Dr. Kamran Asdar Ali, Professor and Dean at LUMS spoke of Dr. Mahmood's deep understanding of feminists issues and remembered her as a source of inspiration for a generation of young scholars.
 - The 5th Mahomedali Habib Distinguished Lecture was held at UC Berkeley, USA where the famed historian of South Asia, David Gilmartin, Professor of History at North Carolina State University gave a talk followed by a vibrant discussion amongst visitors from various academic institutions.
 - During the year the 1st Habib University President's Conference was held which brought together a diverse group of scholars to reimagine the shared past and potential future of the South Asia region in which Dr. Markus Daechsel from Royal Holloway, University of London was the keynote speaker who addressed the nature and value of history in South Asia.
- Habib University's first Model United Nations (MUN) was held to provide a platform for students to research, debate and exchange ideas about addressing critical global issues.
 - HU Olympiad was held to celebrate diversity, discover talent and give it its due appreciation. A total of 450 registrations from students from 50 institutions participated through 8 wide ranging sports and intramural activities.

The highlight of the year was the convocation of the first graduating class held in May 2018 in which 84 students graduated. An impressive ceremony was held at the University to mark the occasion. Syed Babar Ali noted businessman, philanthropist and Founder and Pro Chancellor of Lahore University of Management Sciences was the commencement speaker at the event.

The Foundation in collaboration with City District Government of Karachi (CDGK) had taken an initiative and set up The Institute for Advancing Careers and Talents (iACT) as a not-for-profit career development centre offering innovative and futuristic career education courses to youth through a ten-year agreement. This agreement ended in September 2017 and after completing all ongoing courses, the building in Malir, Karachi was handed back to the Social Welfare Department, Government of Sindh in April 2018. Besides offering various courses, iACT also collaborated with the Sports and Youth Affairs Department, Government of Sindh as well as other international institutions including UNDP by providing young people the opportunity to enrol in the vocational, soft skills and career oriented training programs to help them become better working professionals. Through these efforts, the Foundation was able to impact the lives of thousands of youth.

Resource Development

The office of resource development works towards forming new contacts and exploring avenues to raise funds. It also continues to engage, appreciate and excite the existing community of donors. As a result, the Foundation has built up the Endowment Fund to Rs. 907.4 million (2017: Rs. 879.9 million) which is an ongoing process to ensure self-sustainability of the University over the coming years.

The Foundation's Zakat collection and utilization continues to be reviewed by a Shariah Advisor who has issued a Shariah Compliance Report. Through the Zakat Fund, an amount of Rs. 113.3 million was awarded to Habib University students during the year (2017: Rs. 71.4 million). Similarly, a scholarship fund is also maintained out of which scholarships and grants amounting to Rs. 259.6 million (2017: Rs. 181.3 million) were provided to students. The balance amount in the Zakat Fund and Scholarship Fund as at June 30, 2018 amounted to Rs. 72.8 million and Rs. 43.6 million respectively. Various campus visits were conducted for an interesting mix of distinguished industry and business leaders and government representatives over the year.

Financial Reporting Framework

We are pleased to inform that company has fully complied with following:

1. The financial statements prepared by the Foundation present fairly its state of affairs, the result of its operations, cash flows and statement of changes in funds.
2. Proper books of account have been maintained by the Foundation.
3. Appropriate accounting policies have been consistently applied in preparation of these financial statements and accounting estimates are based on reasonable and prudent judgment.
4. International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of these financial statements and any departure there from, if any, has been adequately disclosed.
5. The system of internal control is sound in design and has been effectively implemented and monitored. The process of monitoring internal controls will continue with the objective to further strengthen the controls and improve the system.
6. There are no significant doubts upon the Foundation's ability to continue as a going concern.

FINANCIAL OVERVIEW

Financial highlights for the year ended June 30, 2018 are as under:

	Rs. in '000
Income	
Donation income	617,280
Other income	92,871
	710,151
Expenditure	
Donations to related parties	213,275
Scholarship to Habib University students	259,576
Study abroad program for Habib University students	6,148
Zakat to Habib University Students	113,278
Realized loss on investments	14,665
Unrealized loss on investments at fair value	14,713
Loss on sale of PIBs	2,651
Depreciation	208,152
Amortization	96,827
Program and administrative expenses	20,165
Net deficit on other projects	11,712
	961,162
Deficit for the year carried to respective funds	251,011

Acknowledgments

We offer our sincere gratitude to the Board of directors for their guidance and support and to employees for their hard work and dedication. We also wish to place on record our appreciation for the support from the donors who have wholeheartedly contributed to our cause.

For and behalf of the board,



Parvez Ghias
Chief Executive Officer
Karachi: September 29, 2018