

# It is Today that we create the Future

THE CITIZENS FOUNDATION

Annual Report 2012

# Vision

## Positive Change

To remove barriers of class and privilege to make the citizens of Pakistan agents of positive change

# Mission

## Quality Education

Through the power of quality education enabling moral, spiritual, and intellectual enlightenment

## Better Future

Creating opportunities to improve quality of life

# Values

## Integrity

## Ownership

## Continuous Improvement

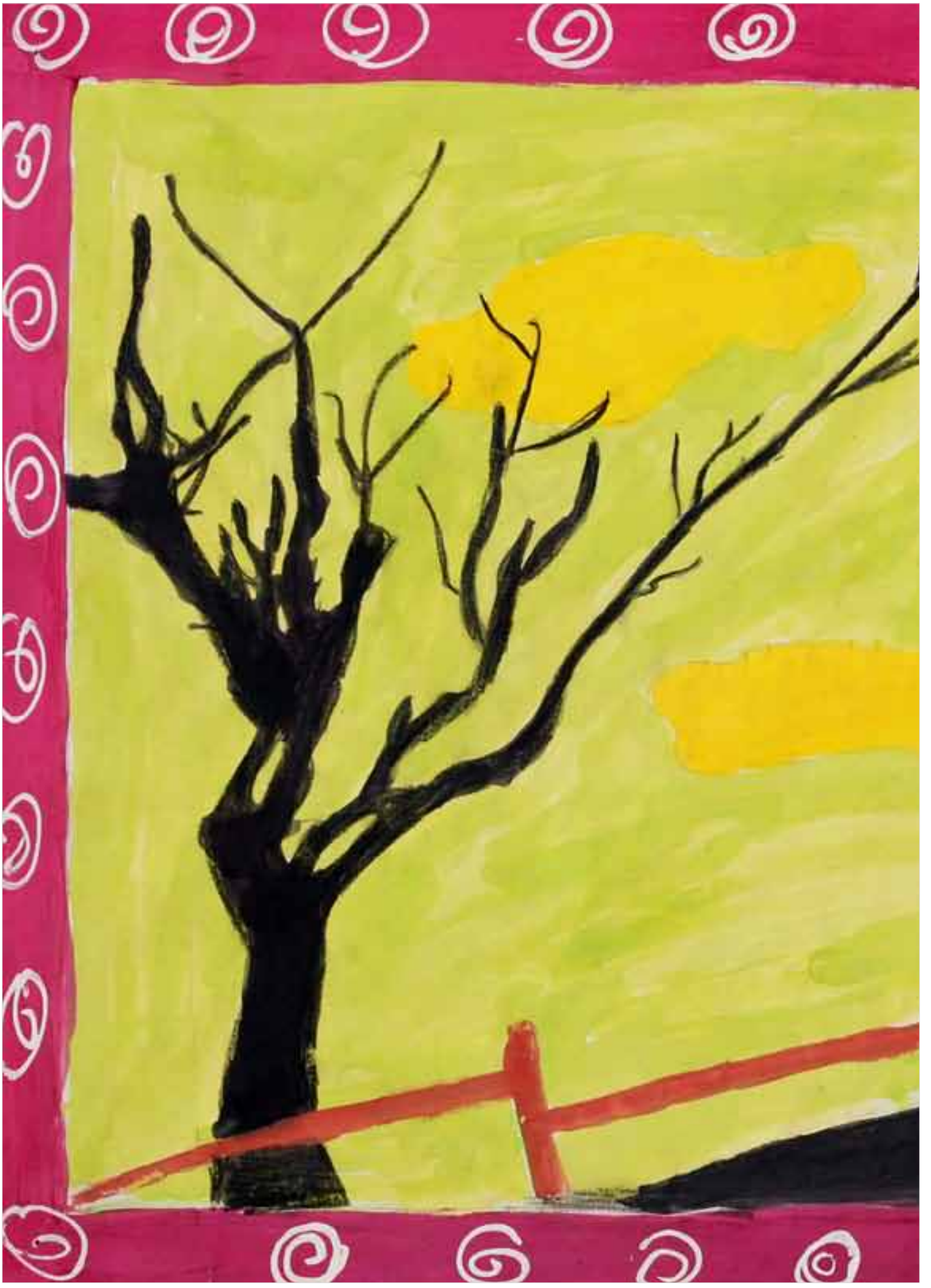
LEGAL STATUS AND NATURE OF OPERATIONS

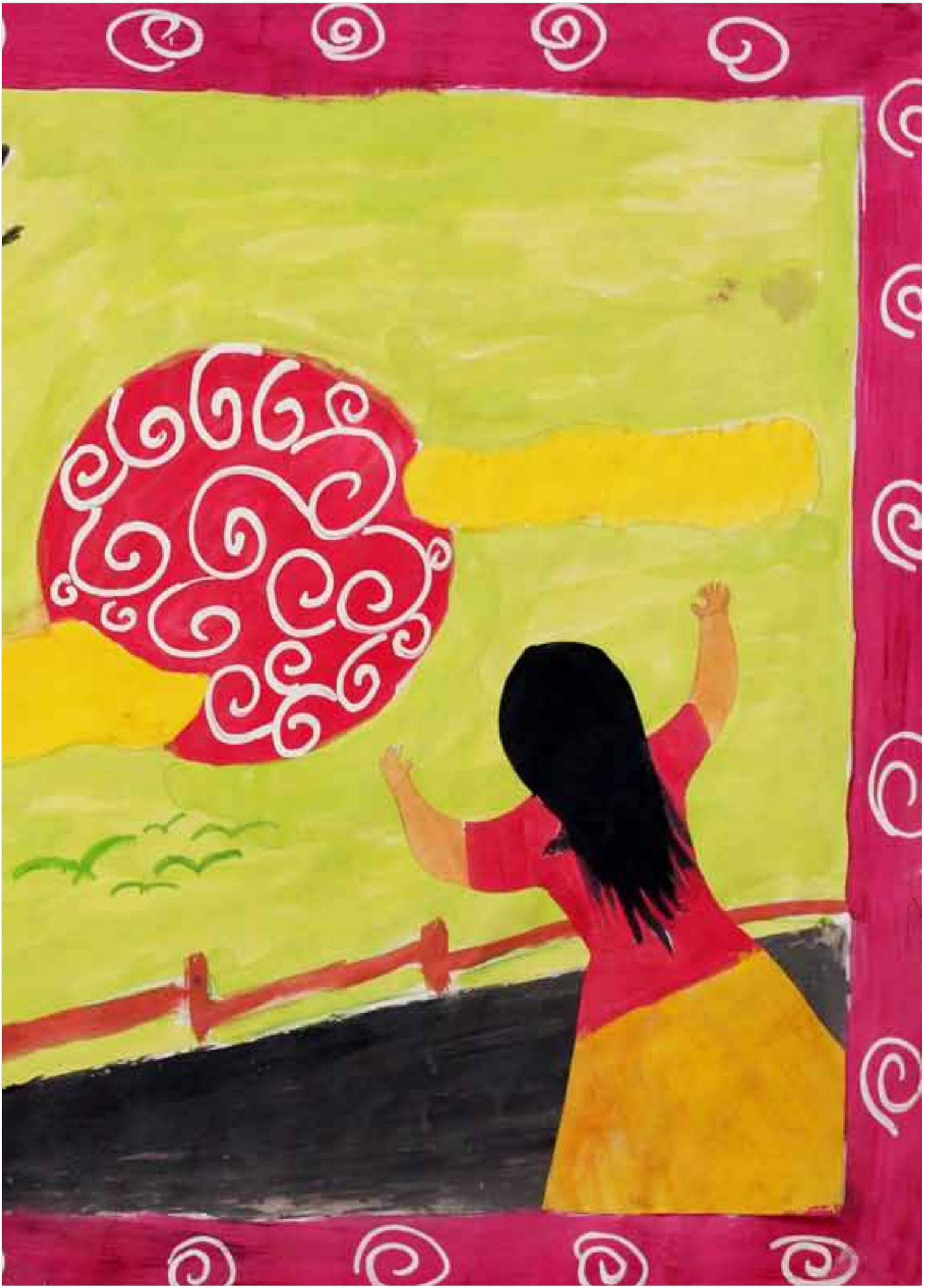
The Citizens Foundation ('the Foundation') was incorporated in Pakistan as company limited by guarantee on 24 September 1996 under section 42 of the Companies' Ordinance, 1984. The Foundation is principally engaged in establishing schools to promote education. The Foundation receives funds from cross sections of society within and outside Pakistan for building primary and secondary schools as well as for operation of schools. These donations are made by organisations, institutions and individuals.

The registered office of the Foundation is situated at Plot No. 20, Sector No. 14, Near Brookes Chowrangi, Korangi Industrial Area, Karachi, Pakistan.

# It is Today that we create the Future

Annual Report 2012







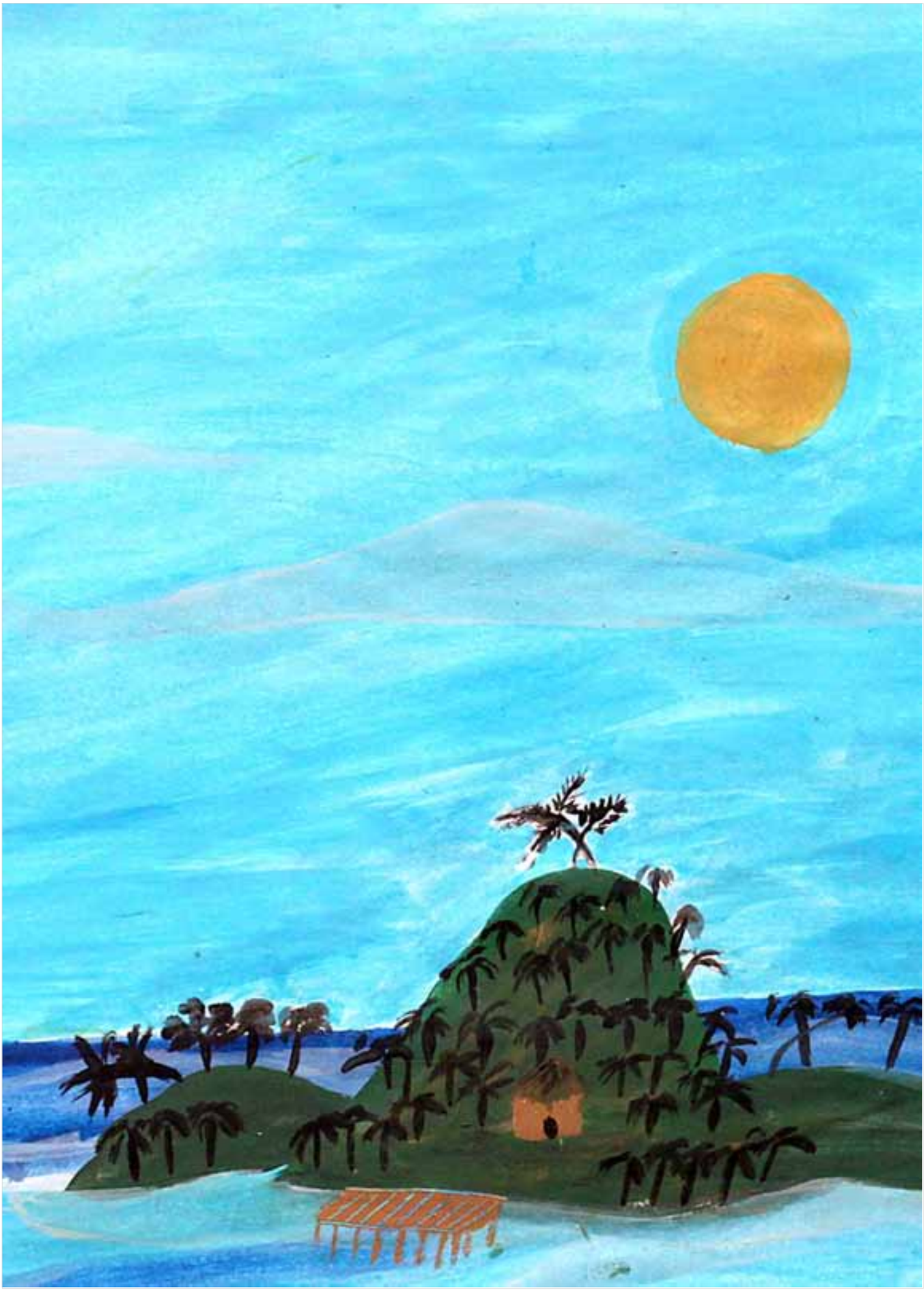
# It is Today that we create our Future

In Pakistan today, millions of children are denied the right to be in school. Many of those children who make it to schools, study in wrecked buildings, often with no teachers, or teachers that are not trained to be in this field. This paints a stark picture of a bleak future.

The Citizens Foundation (TCF) is trying to change this image.

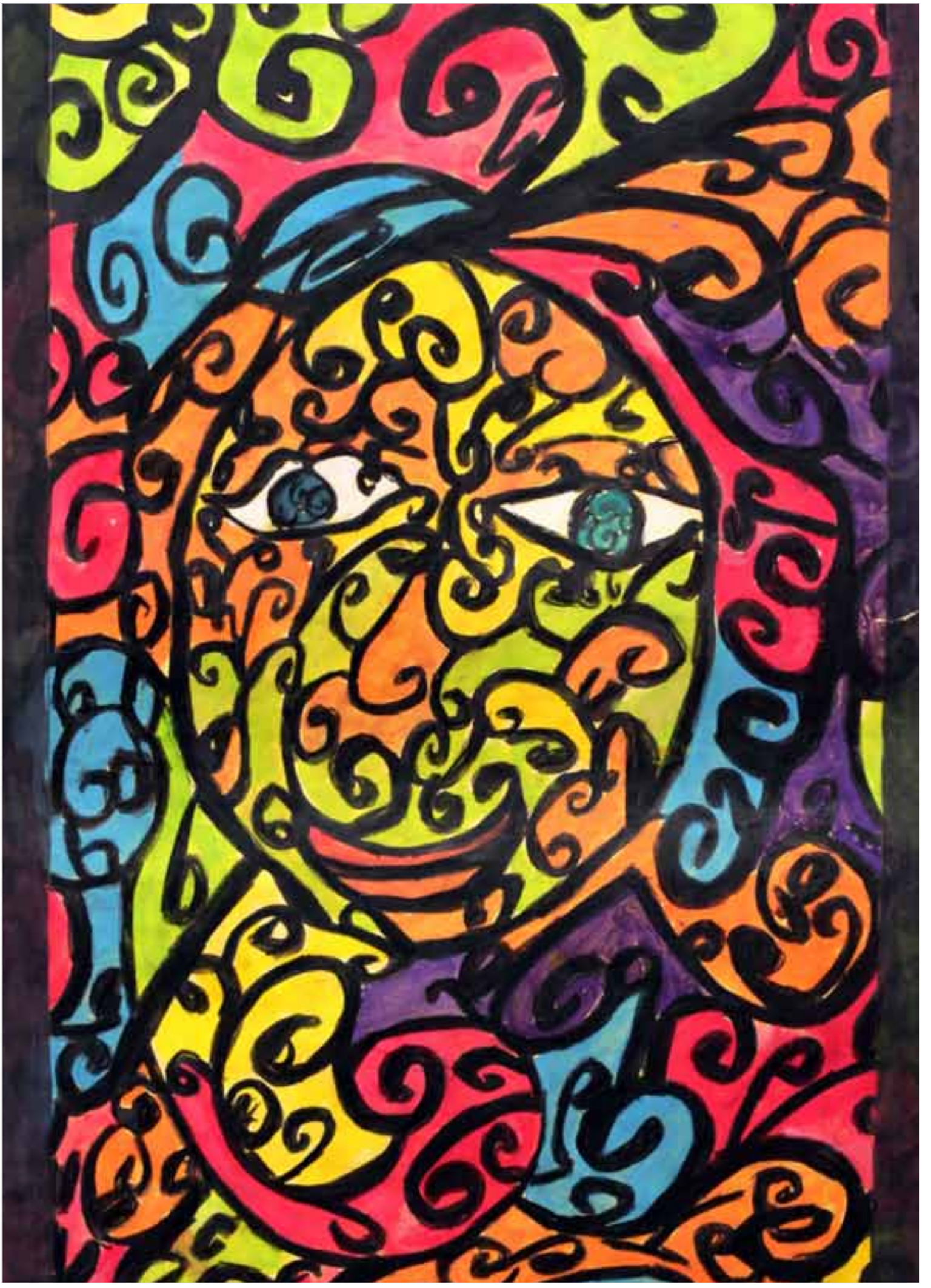
For the past 17 years, TCF is dedicatedly operating its purpose-built schools in rural areas and urban slums across the country. In TCF schools, preference is given to those children who have no financial means of receiving formal education. Its entire teaching staff and principals receive comprehensive training. Together TCF and its faculty are striving to help its students envision a brighter and a peaceful world.

*All paintings by TCF student Ayub Khan - Cowasjee Campus*



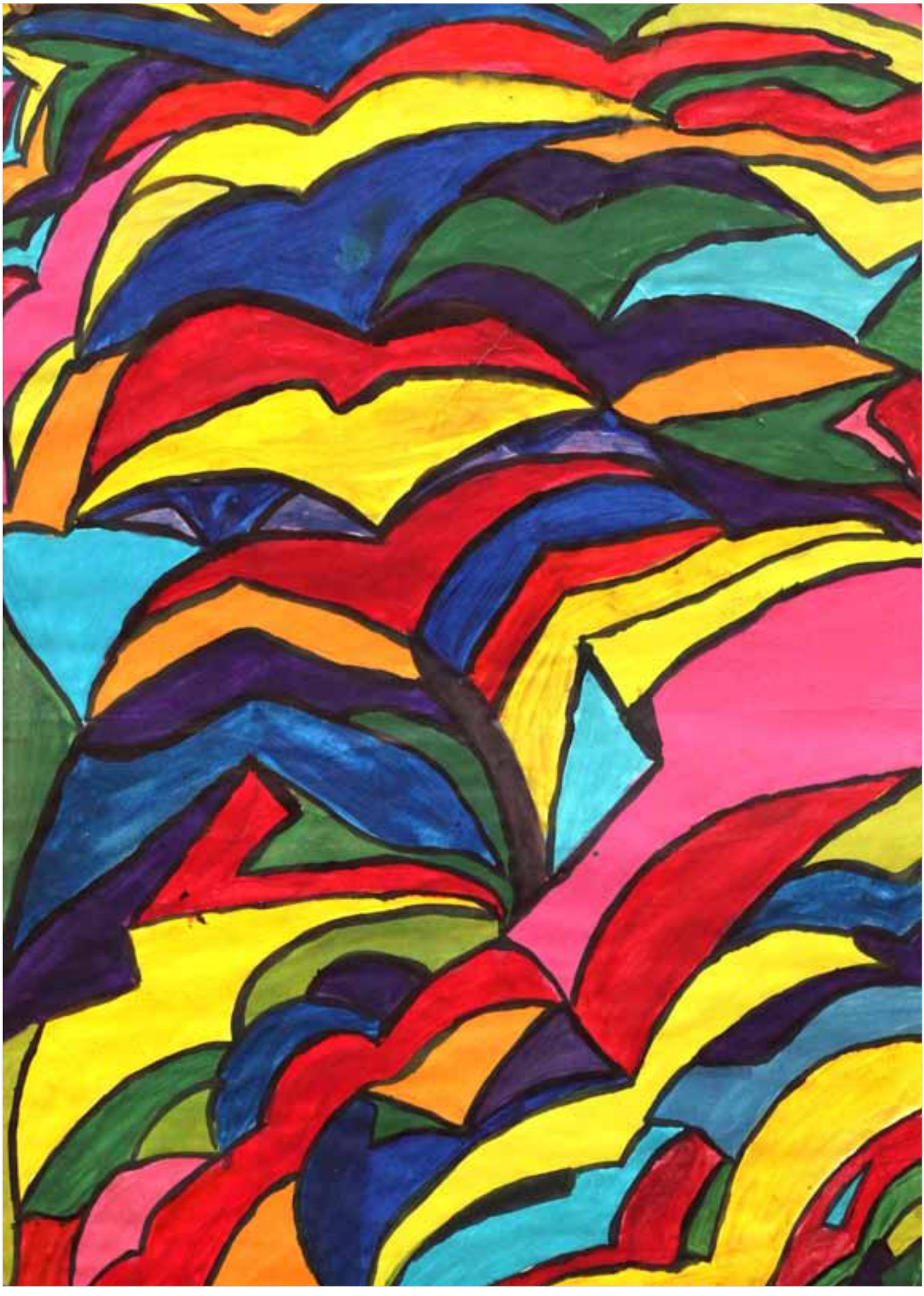
# Creating Leaders for Tomorrow

TCF believes in developing leadership at grassroot level and the Principals Academy (PA) is one such effort. Rolled out in 2009 across the entire TCF Network in Pakistan, PA is honing strong leadership skills which empower principals to run their schools smoothly and ensures sustainability. Since 2009 till the last concluded cycle in February 2012, there are 437 principals who have successfully gone through this Programme. These individuals are agents of positive change who have been exposed to the education crisis in the country and who are being prepared as leaders to take forward the Cause.



# Skill Development

Over the years, TCF has helped its graduating students avail viable options for vocational training. Vocational skills are enabling hundreds of these students to carve out a better future for themselves. TCF has partnered with different groups like The Hunar Foundation, Aman Foundation, Robotics Labs to make way for youth to acquire new skills. 126 students have acquired Vocational Training.



# Enriching Lives

TCF focuses on developing well-rounded, enlightened students with all the potential to create a better life for themselves and their communities. In order to develop their young personalities, TCF carries out a number of programmes as part of its regular activities at school. Mentoring and career counseling programmes have been initiated to focus on building a better understanding among students, of themselves and the world outside and all the opportunities it encompasses.

This annual report carries a detailed account of mentoring and career counseling sessions and the number of students who have successfully gone through these programmes.

## Welcome to The Citizens Foundation


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# Welcome to TCF

# It is Today that we create



# the Future



**There is nothing like a dream to create the future.**

*Victor Hugo (1802-1885) French novelist and poet*

Our story begins with a dream. Shared by a group of close friends, this one dream has turned into a movement of many and a cause close to the hearts of the citizens of the world...



If you glance across the history of mankind, you will realize the value of one's dreams and visions. It is these dreams and visions that have started revolutions; that have been behind all great inventions; that propel you to take action today that shapes your future. At The Citizens Foundation (TCF), the initiatives taken today are shaping the future of the Foundation and its stakeholders. The children studying at TCF schools today are being prepared to shape the future of the country. Most of TCF students come from economically impoverished backgrounds, often being the first ones in their families to receive formal, quality education. TCF strives to focus on providing such children with not just education but beyond that. It strives to hone their personalities, providing every possible opportunity to progress in life and break the barriers of class and privilege that divide a nation.

This year, new systems are being implemented to facilitate the management of TCF and fresh trainings are designed for TCF Head teachers to improve their leadership skills so that ultimately every single school unit becomes exceptionally well managed. This year a fresh batch of TCF alumni is stepping out into the world. With these graduates rests hopes and dreams of our future!

The visionaries and dreamers behind the inception of TCF are humbled by the success of TCF Model. In August 1995, TCF was formed as a company Limited by Guarantee and registered with the Securities and Exchange Commission of Pakistan. Pioneering directors of TCF opted for formal education and built the first five schools at their own expense. Now 17 years later, hundreds of school units are providing quality education to 115,000 girls & boys all across numerous urban slums and rural areas in Pakistan and Azad Jammu & Kashmir! This is the power of a dream, which has shaped the future of so many.

TCF team is driven by a deep-rooted passion and empathy and a commitment to excellence - attracting the best and the brightest to join TCF to create a meaningful and enduring change. TCF Team looks forward to your feedback. Either in Pakistan or abroad, you can reach TCF through the contact details mentioned in this annual report as well as on TCF website at: http://www.tcf.org.pk/ContactUs.aspx. If you wish to email, please write to info@tcf.org.pk



# TCF Students



16-year old **Sughra's** father works as a contractual farmer in the fields at the outskirts of Karachi. He hardly makes enough to make both ends meet for this family of nine. Sughra has a part time job of ironing clothes for a lady in her area. She earns Rs. 300 a month to support her family. Sughra has high ambitions to help the people of her village.



Little **Fatima** loves going to school. Even at such a young age of only eight, she understands the importance of getting a good education. Her father is in jail and her mother earns a living by cleaning prawns. Fatima studies at **TCF Primary School - Al-Sari Foundation Campus** and attends school regularly. She also helps her mother with her work.



16 year old **Muhammad Javed**, son of a labourer, is another teenager at TCF who works alongside his father to help make ends meet. Nothing deters him from studying. He is a proud student of **TCF Secondary School** in **Sumar Goth**, Karachi. Muhammad Javed has big dreams. He wants to be a software engineer.



**Zubaida** is a student of **TCF Primary School - Crescent Steel Campus I**. She loves reading books and specializes in traditional Balochi embroidery. Her main aim is to be able to impart education to her less privileged neighbours who cannot afford to go to school.



**Zain Shafiq** is a student of **TCF Secondary School - Sindh Police Campus** in Grade VIII. He is a punctual and dedicated student. After school he gets ready and goes to work at around 4 p.m. at Bar-B-Q restaurant. After his father's demise eight years ago, Zain had to assume the responsibility of providing a stable living for his family. Though it was hard to manage both school and a job, Zain remained focused and fulfilled this responsibility to support his family and simultaneously acquire education.



**Gul Bano** is a student of Class VII, studying at **TCF Secondary School** in Jam Kando Goth. Her father is diabetic, which led to the amputation of both his legs and thus unemployment. Gul Bano had to start working as a domestic maid where she earns a meager Rs. 100-200 per day. She wants to become a doctor in future, especially so that she can help diabetic patients like her father.



**Shazia** studies at **TCF Primary School - Tomini Shipping Campus II**. She is nine years old and has five siblings and they all study at the same school. She loves her school and mostly enjoys the sun-lit classrooms and the atmosphere in her school.



**Ayub Khan** is a Grade X student at **TCF School-Cowasjee Campus**. He is a prodigy when it comes to arts. He is also a poet. He has over 100 paintings to his credit and has his own wall at his school's library. He is a well-mannered and cultured student and hopes one day to support those children who have a passion for arts but do not have the means to pursue it. Also, he wants to work in the field of e-media so that he can voice the truth through words as he does through his paintings.





# TCF Alumni



## Aqeela Qasim

**TCF graduate back to TCF as a teacher**

Aqeela Qasim won 'Best Teacher of the Year' award this year. She has studied from TCF Primary School in Machar Colony and from TCF Secondary School in Mauripur. She always wanted to become a teacher and it was her dream to teach at her own primary school. She is determined to perform her best year after year. She also plans to continue studying.



## Iqbal Khan

**PAF Academy**

19-year-old Iqbal Khan is living his dream. He completed his schooling from TCF campus in Roranwala, Punjab. Iqbal's father is a security guard and in a family of seven, they faced severe monetary problems but he continued his studies. The motivated teenager not only excelled at school but now has made it to PAF Academy in Karachi, where he is being trained as a Trade Technician.



## Sidra Saleem

**Dow University**

A student's determination and hard work has led her into one of the best medical schools in Karachi. Sidra Saleem, a TCF alumnus, was considered one of the brightest students of her batch at TCF Shirin Sultan Dossa Campus IV in Ibrahim Goth, Karachi. Her teachers predicted a bright future for her. Today, Sidra has proved her teachers correct by securing admission on open merit at Dow Medical College, the most sought-after medical school in the province. She has reaffirmed our faith in the power of human potential.



## Shahida

**Sindh Medical College**

Shahida, having passed her matriculation examination with flying colours went on to St. Joseph's College and is now becoming a doctor. Pursuing an MBBS at Sindh Medical College, it is overwhelming to encounter a girl who went from the most ordinary of backgrounds to pursuing a degree in one of the most respected fields in our society. "I gained confidence and this entire journey has really opened up my mind a great deal," she shared.



## Anum Fatima

**CBM**

Anum Fatima has created history! She is the first TCF Student who secured admission in CBM, a leading business school in Karachi. She completed her graduation in Business Administration. She is currently pursuing her MBA from the same institute. Anum has big plans in life. Anum aspires to join TCF Movement after completing her MBA.



## Shumaila

**TCF graduate back to TCF as a teacher**

Shumaila is a young woman who has come back to TCF as a teacher. Since the past three years she has been teaching in TCF Primary School - Fazal Illahi Campus at Sumar Goth in Karachi. "I am honoured to serve TCF as one of its teachers. TCF gave me the confidence with which I face the world today. When we were students at TCF, our teachers gave us so much - they were our inspiration. Now that I am a teacher myself, it is my duty to give back to these children of my community. After all these children look up to us to guide them and teach them. We owe it to the future of Pakistan to develop these children into responsible adults tomorrow," asserts Shumaila.



## Muhammad Bilal Hafeez

**Hunar Foundation**

Muhammad Bilal Hafeez is the first TCF student (amongst TCF Alumni) who has graduated from The Hunar Foundation (THF) securing first division (89.5%) from the Sindh Trade Testing Board in mechanical fitting and plant maintenance. He has also aced in the globally recognised City & Guilds, UK examination and has received international vocational qualification (IVQ) diploma. He was also bestowed with the 'Best General Fitter of the Year Award' at the first graduation ceremony of THF.



## Sabahat Anjum

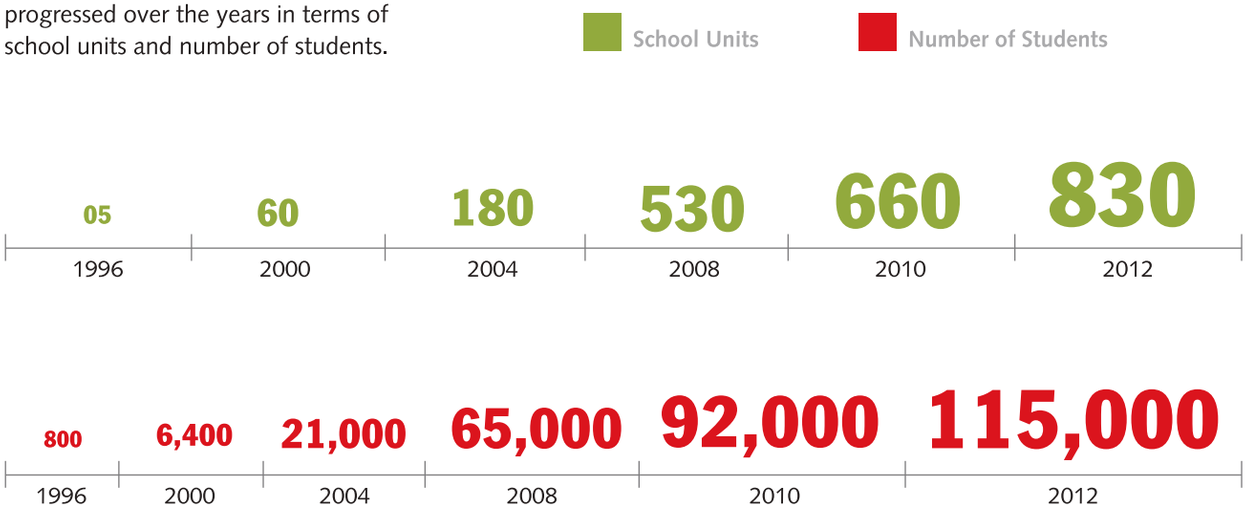
**TCF graduate back to TCF as a teacher**

Sabahat Anjum's father died of cancer when she was very young. Due to financial problems and social pressure she was about to quit her education when some one introduced her to TCF. She says that was the turning point in her life. She is currently teaching at a TCF primary school.

# TCF Statistics

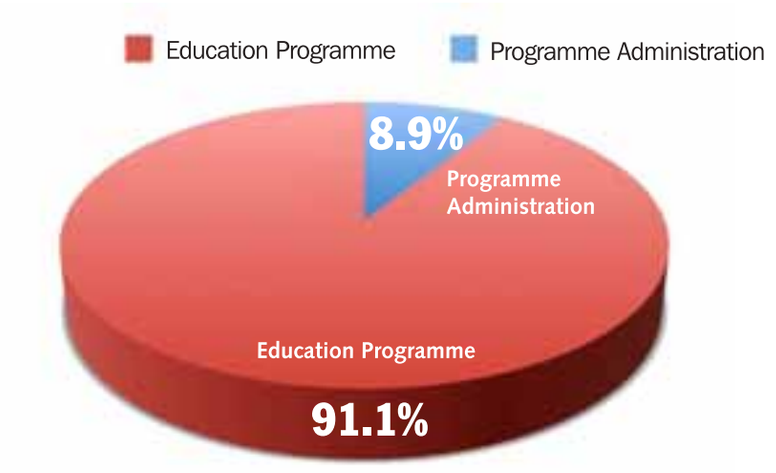
## Growth Pattern

This graph reflects the way TCF has progressed over the years in terms of school units and number of students.

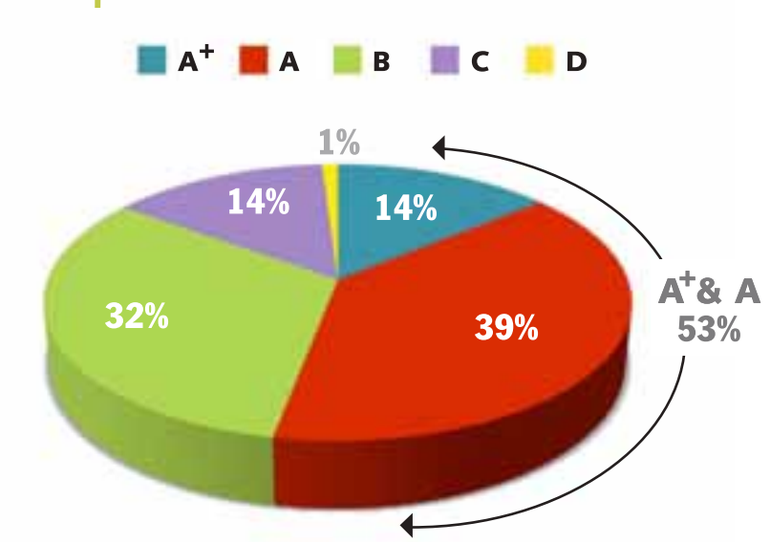



## Expense Pattern

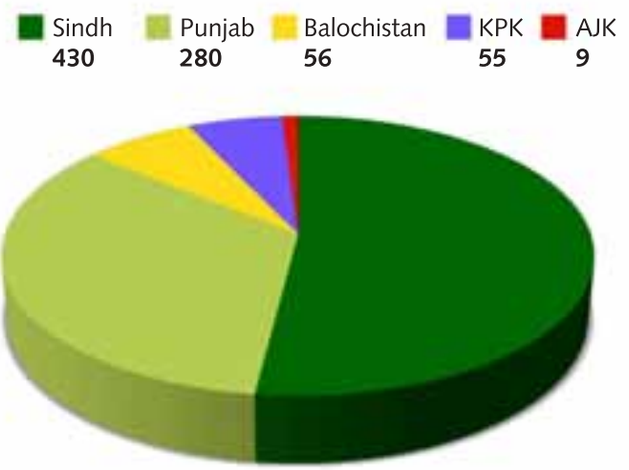
Education Programme includes all expenses directly related to school education. Programme Administration includes all administration expenses of the head office.



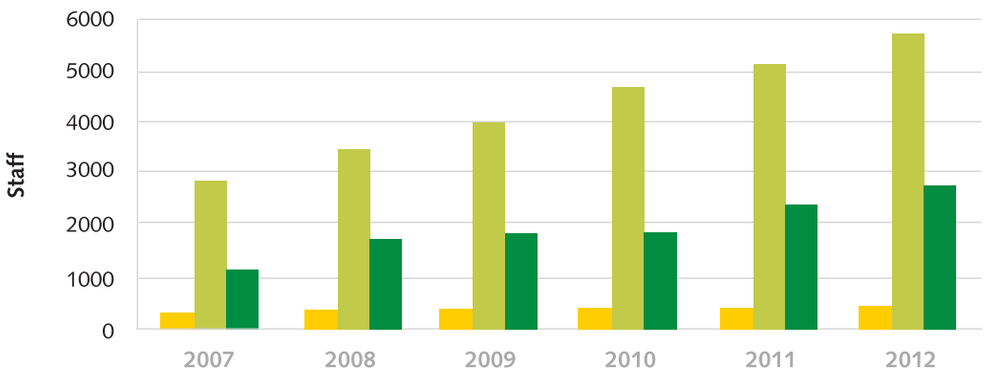
## Grade-wise breakup of Matric Students 2011-12




## Provincial breakup of TCF Schools




## Growth trend in TCF Staff

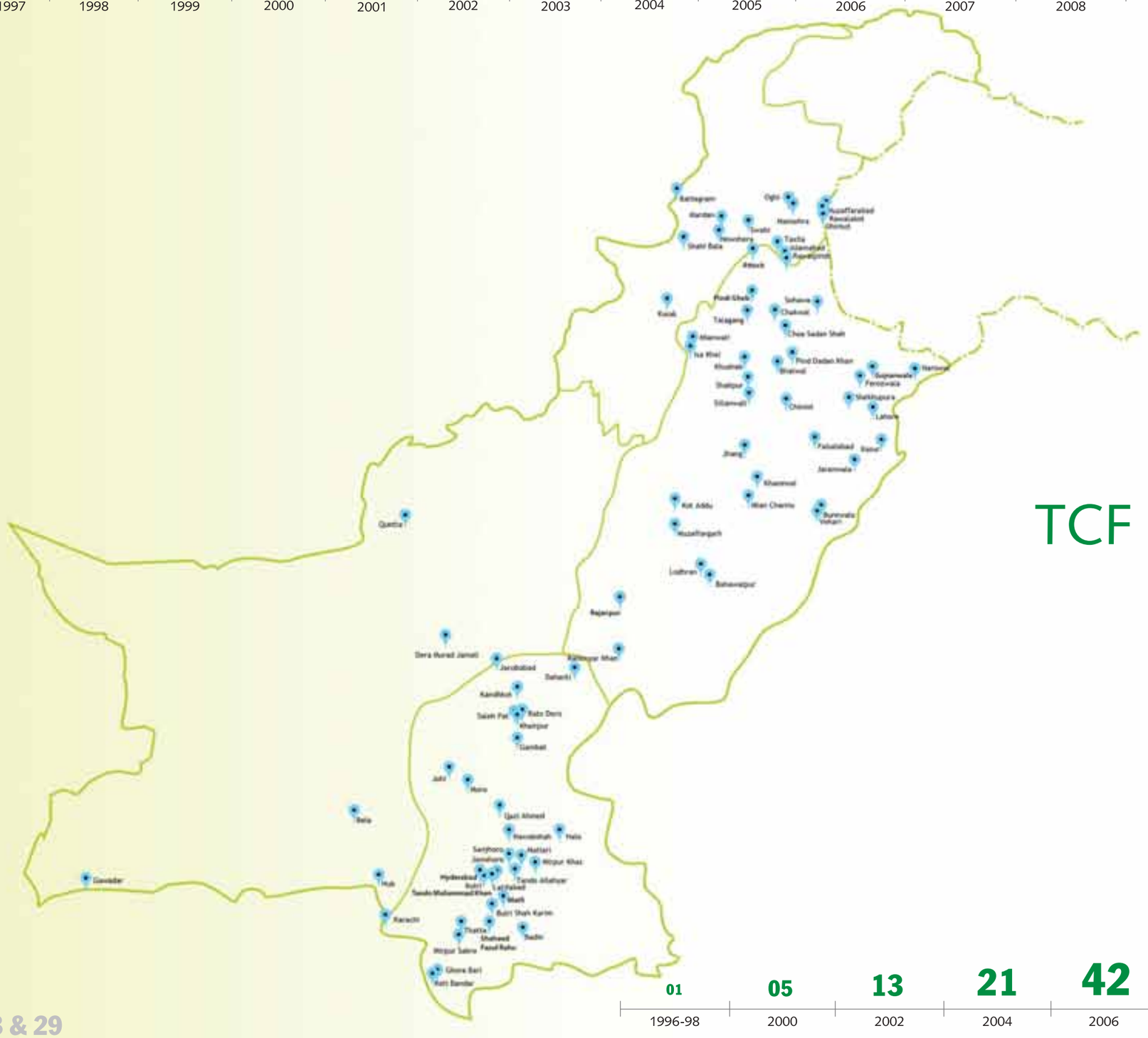



| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
|---|---|---|---|---|---|---|
| Office Staff | 190 | 230 | 260 | 270 | 280 | 300 |
| Faculty Staff | 3000 | 3550 | 4150 | 4800 | 5400 | 5800 |
| School Support Staff | 1300 | 1685 | 1850 | 1930 | 2500 | 2700 |

## Receipts Pattern

This graph containing receipts pattern includes donations for school support, children education (KG to Matric), building schools and other incomes.
Donations received for TCF relief operations are not reported in this graph.

| 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 39m | 45m | 86m | 115m | 119m | 117m | 183m | 335m | 400m | 561m | 736m | 945m | 972m | 1,100m | 1,395m | 1,682m |




# TCF Presence

### Number of Towns and Cities

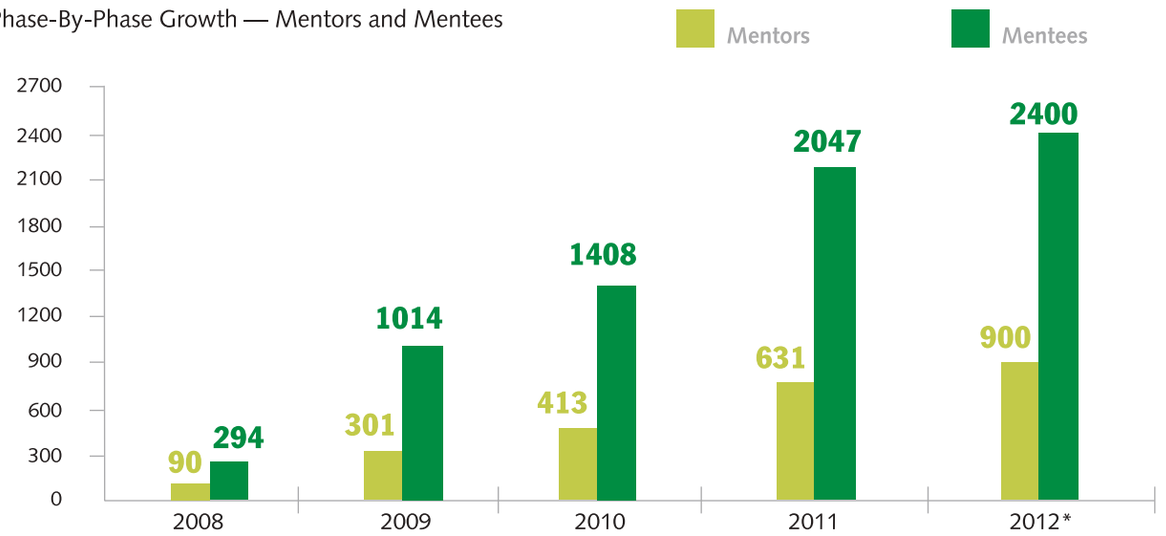
| 1996-98 | 2000 | 2002 | 2004 | 2006 | 2008 | 2010 | 2011 | 2012 |
|---|---|---|---|---|---|---|---|---|
| 01 | 05 | 13 | 21 | 42 | 63 | 68 | 83 | 93 |



# TCF Programmes' Statistics

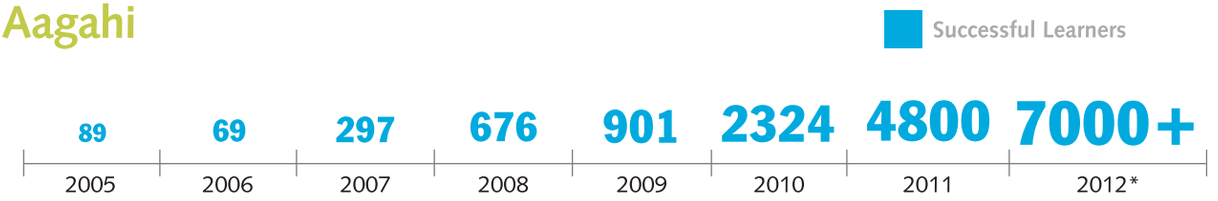
## Rahbar

Phase-By-Phase Growth — Mentors and Mentees



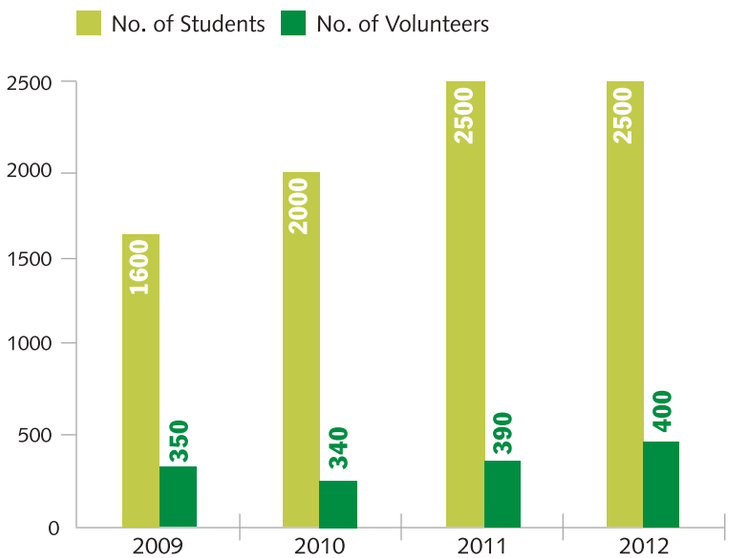

*The number for 2012 is a projected figure based on previous trend.

## Aagahi

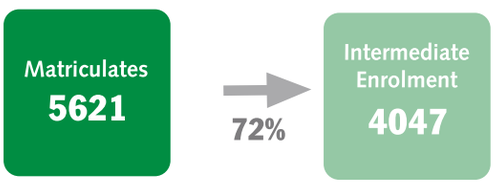



*The number for 2012 is a projected figure based on previous trend.

## Summer Camp




## Alumni breakdown upto 2012




Upto 2012, 323 TCF students have availed scholarships for a two year Bachelors programme as well as four to five year Masters programme.This number is only indicative of students who availed scholarships and not of those who are enrolled.

# Financial Highlights (2007-2012)

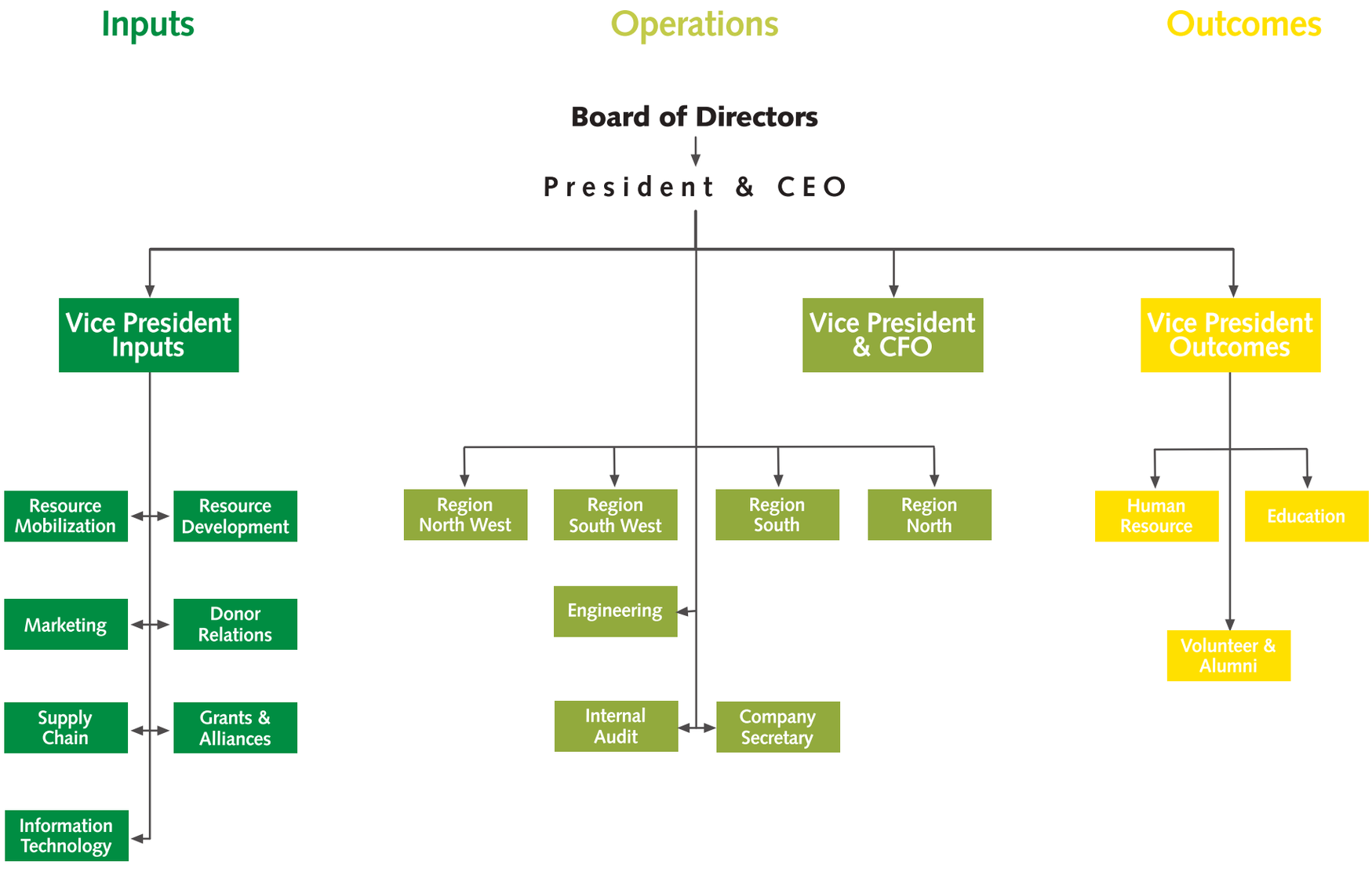
## For the year ended 30 June, 2012

| | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 |
|---|---|---|---|---|---|---|
| **Operating Results** (Rupees in million) | | | | | | |
| School support donation | 1,120.4 | 900.5 | 693.0 | 568.1 | 426.9 | 258.2 |
| Other income | 127.1 | 79.0 | 24.4 | 38.3 | 64.6 | 44.6 |
| Education programme expenses | 1,083.6 | 889.9 | 648.6 | 594.5 | 407.1 | 312.1 |
| Programme Administration Expenses | 106.3 | 90.0 | 86.9 | 59.9 | 40.7 | 33.1 |
| Surplus (deficit) of Education programme operations | 57.6 | (0.5) | (18.1) | (48.0) | 43.7 | (42.4) |
| **Financial Position** (Rupees in million) | | | | | | |
| School Land and building | 2,553.9 | 2,289.3 | 2,152.0 | 1,952.5 | 1,590.5 | 1,261.8 |
| Other non-current assets | 549.1 | 450.0 | 318.7 | 302.8 | 415.8 | 421.4 |
| Current assets | 932.3 | 761.9 | 373.7 | 201.3 | 181.6 | 197.6 |
| ***Total assets*** | **4,035.4** | **3,501.2** | **2,844.4** | **2,456.6** | **2,187.9** | **1,880.8** |
| Capital fund | 1.5 | 1.5 | 1.4 | 1.3 | 1.2 | 0.9 |
| General and other funds | 803.2 | 775.0 | 761.0 | 780.9 | 879.8 | 1,059.0 |
| Endowment fund | 184.2 | 132.8 | 101.0 | 69.3 | 60.1 | 6.2 |
| Deferred Income - operating fixed assets | 2,575.1 | 2,130.2 | 1,805.0 | 1,492.4 | 1,172.8 | 755.7 |
| Deferred Income - School Support | 322.9 | 360.5 | 130.4 | 64.9 | 23.8 | 1.8 |
| Current liabilities | 148.6 | 101.2 | 45.6 | 47.8 | 50.2 | 57.2 |
| ***Total funds and liabilities*** | **4,035.4** | **3,501.2** | **2,844.4** | **2,456.6** | **2,187.9** | **1,880.8** |
| **Expense Patern** | | | | | | |
| Education Programme | 91.1% | 90.8% | 91.5% | 90.8% | 90.9% | 90.4% |
| Programme Administration | 8.9% | 9.2% | 8.5% | 9.2% | 9.1% | 9.6% |
| | 100% | 100% | 100% | 100% | 100% | 100% |
| **Key Financial Ratios** (In times) | | | | | | |
| Current ratio | 6.3 | 7.5 | 8.2 | 4.2 | 3.6 | 3.5 |
| Cash to current liabilities | 1.0 | 1.7 | 7.4 | 3.3 | 2.8 | 1.7 |
| **Cash Flow Summary** (Rupees in million) | | | | | | |
| Cash flow from operating activities | (96.9) | 46.8 | 39.4 | 12.5 | (72.7) | (93.0) |
| Cash flow from investing activities | (737.2) | (928.2) | (367.8) | (405.2) | (415.0) | (350.1) |
| Cash flow from financing activities | 728.0 | 720.1 | 495.0 | 407.0 | 469.3 | 433.1 |
| Increase/(decrease) in cash and cash equivalents | (106.1) | (161.3) | 166.6 | 14.3 | (18.4) | (9.9) |
| **Other data** (Rupees in million) | | | | | | |
| Foreign exchange remittance (Pak Rupee equivalent) for all donations received | 962 | 851 | 680 | 519 | 506 | 414 |
| Tax deducted and deposited into government treasury as withholding tax agent | 36 | 30 | 24 | 23 | 20 | 22 |

**Benefit to Donor - Tax Exemption for The Citizens Foundation**

Through Finance Act, 2012, the name of The Citizens Foundation has been added in a new sub-clause (ia) of clause (61) of Part I of Second Schedule of Income Tax Ordinance, 2001. Effective 01 July 2012 an individual or association of persons can avail payment of any donation amount to The Citizens Foundation as admissible deduction up to thirty percent (30%) of their taxable income of the year. A company can also avail payment of donation amount to The Citizens Foundation as admissible deduction up to twenty percent (20%) of its taxable income of the year.

# TCF Organogram- Overall



# Members of TCF General Body

**Mr. Ahsan M. Saleem**
Date of Joining: 29/09/1996

**Mr. Ateed Riaz**
Date of Joining: 29/09/1996

**Mr. Mushtaq K. Chhapra**
Date of Joining: 29/09/1996

**Mr. Rashid Abdulla**
Date of Joining: 29/09/1996

**Lt General (R) Sabeeh Qamar-uz-Zaman**
Date of Joining: 29/09/1996

**Mr. Ishaque Noor**
Date of Joining: 20/04/2004

**Mr. Adnan Asdar**
Date of Joining: 31/10/2007

**Mr. Shahid Abdulla**
Date of Joining: 31/10/2007

**Ms. Bushra Tayyab Afzal**
Date of Joining: 08/05/2008

**Mr. Imtiaz Dossa**
Date of Joining: 08/05/2008

**Ms. Nilofer Saeed**
Date of Joining: 08/05/2008

**Mr. Pir Farid Ahsanuddin**
Date of Joining: 08/05/2008

**Mr. Shahab Haider**
Date of Joining: 08/05/2008

# Board of Directors and it's



# Committees



## Board of Directors

The Directors have met regularly to provide guidance and support for which we record our appreciation and thanks. This year Founding Director Mr. Mushtaq K. Chhapra continues to be our elected Chairperson for the remaining term of the Board. Next Election of Directors will be held on April 12, 2013.

## The Executive Committee

The Executive Committee ('the EC') was instituted by TCF Board of Directors ('the Board') in its meeting held on November 12, 2001. The objective is to keep the Directors updated with the projects and progress of the operations of TCF and also to assist the Board in advising TCF management for overall improvement.

The EC comprises five members including the CEO. The EC meets each month to review the day-to-day progress of TCF operations.

**Key responsibilities:**

- Review progress of projects and operating activities of TCF.
- Review overall progress of the quality of education in TCF schools.
- Advise TCF management on behalf of the Board for improving efficiency in overall performance.
- Recommend to the Board for the approval of Annual Construction and Procurement Plan and other significant matters.
- Any other task(s) assigned by the Board.

## Audit Committee

The Committee comprises five members, all of whom are in Non-Executive capacity of the Company. The terms of references of the Audit Committee is in line with Global Best Practices. The purpose of the committee includes providing the Board with an independent and objective evaluation of the operation, policies, procedures and controls implemented within the Company.

Furthermore the committee also:

- Provides supplemental assistance and resources to the internal audit department of the Company in order for them to provide the Management and the Board of the Company with an independent, objective evaluation of their operations, procedures and controls.
- Provides the Board with an oversight of the internal audit department in the Company to assure that an effective internal audit function is in place, which includes a risk based annual and long range audit plan and a reporting mechanism and quality control plan.
- Provides assistance to the Board in fulfilling its oversight responsibility relating to integration of the financial statements, financial reporting, review and evaluation procedure established to comply with laws and regulations and to monitor compliance thereof.

## Human Resources and Compensation Committee

The purpose of the Human Resources and Compensation Committee is to assist the Board in fulfilling its obligations relating to human resources and compensation policy and related matters and to establish a plan of continuity and development of senior management for TCF.

The Committee comprises four members including the Chief Executive Officer with at least two Non-Executive Directors and a Vice President as ex-officio member of the Committee.

Any officer of the Company or any other person including advisor or consultant can be co-opted as a member of HRCC with the consent of the Committee.

**Key Responsibilities:**

- Review and recommend TCF compensation and benefits philosophy, strategy, guidelines and their compliance with applicable laws.
- Review and recommend to the Board TCF's strategy regarding human resources management and planning, including recruitment, retention, training, performance management and related matters.
- Review with the President and Chief Executive Officer the Foundation's strategy for succession planning across all management levels and ensure that comprehensive succession plans are in place for senior executive positions.
- In consultation with the CEO, review and recommend the annual salary plan, increments etc. for all TCF staff members.
- Recommend a performance evaluation process that is enforced and working effectively.
- Report to the Board every four months with respect to its activities and decisions. The Committee shall meet three times each year. Meetings are called at the discretion of the Chair but normally take place every quarter.



# Chairman's Review and Directors' Report

**The directors are pleased to submit their statutory report together with audited financial statements of The Citizens Foundation for the year ended June 30, 2012.**

We are grateful to the All Merciful, with whose benevolence we have collectively been able to progress and maintain our credibility. We would like to thank all TCF Donors and Supporters who have helped us come this far. Supporters of TCF across the globe are spreading awareness and new members are joining TCF International Family.

## Operating Results

The Operating Results of the Foundation have been discussed in detail in Chief Executive's Review.

## Statement on Corporate and Financial Reporting Framework

- These financial statements, prepared by the management of the Foundation, present fairly its state of affairs, the results of its operations, cash flows and changes in funds & reserves.
- Proper books of account of the Foundation have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- Approved Accounting Standards, as applicable in Pakistan, have been followed in the preparation of financial statements. Approved accounting standards comprise such international financial reporting standards issued by the International Accounting Standards Boards as are notified under the Companies Ordinance, 1984. In case requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 shall prevail.
- The system of internal control and other such procedures, which are in place, are being continuously reviewed by the internal audit function. The process of review will continue and any weakness in controls will be removed.
- There are no significant doubts upon the Foundation's ability to continue.
- There has been no material departure from the best practices of corporate governance.





## Financial Statements

The financial statements of the Foundation have been approved and duly audited with unqualified opinion by the auditors of the Foundation, KPMG Taseer Hadi & Co. and their report is attached with the financial statements. No material changes and commitments affecting the financial position of the Foundation have occurred at the end of the financial year to which this Balance Sheet relates and the date of the Directors' Report.

## Auditors

The auditors, KPMG Taseer Hadi & Co. retire and offer themselves for re-appointment. The audit firm has been given satisfactory rating under the Quality Control Review Programme of Institute of Chartered Accountants of Pakistan (ICAP) and the firm is fully compliant with the International Federation of Accountants' guideline on codes of ethics, as adopted by ICAP. The Audit Committee and the Board of Directors of the Company have endorsed their appointment for members' consideration at the forthcoming annual general meeting.

## Chief Executive's Review

The Directors endorse the contents of the Chief Executive's Review for the year ended 30 June 2012 which contains the state of the Foundation's affairs, operational performance and other requisite information. The contents of the said review shall be read alongwith this report and shall form an integral part of the Directors' Report in term of Companies Ordinance, 1984.

By order of the Board.

Chairman

Director



# Chief Executive's Report



**I present to you the Annual Report of the Foundation along with the audited Financial Statement for the year ended June 30, 2012.**

## Financial and Operational Performance

The operating results of the Foundation as detailed in the Income and Expenditure Account for the year ended June 30, 2012, show a surplus of income over expenditure amounting to Rs. 57.617 million. Keeping overheads to a minimum, 91.1% of expenditure was directed to the Education Programme. The Foundation Balance Sheet continues to remain healthy with a footing of Rs. 4,035 million as of June 30, 2012, as compared to Rs. 3,501 million as of June 30, 2011.

Donation income for school support increased by 25.7%. A significant growth of 94.9% was achieved in investments income due to vigilant planning and excellent financial management.

Operating expenses increased by 21.4%. The increase in School Education Programme expenses was 21.7%, in which 13% was mainly due to addition of new school units while the balance was due to the introduction of new books, major repairs of schools in flood areas, higher demand of uniforms, books and copies in existing school, rise in prices of books and copies, increased training expenses and general rise in inflation. Programme administration expenses increased by 18.1%. This increase was mainly attributed to a 10.7% increase in salaries and other benefits and 6.9% due to higher activities of resource mobilization expenses.



The Foundation enjoys exemption from income tax under clauses (60) and (92) of Part I of Second Schedule to the Income Tax Ordinance, 2001, consequently no provision for taxation is made in these financial statements.

Further, through Finance Act, 2012 income of The Citizens Foundation has been provided specific exemption from tax under sub-clause (xxviii) of clause (66) of Part 1 of the Second Schedule. Further by virtue of new sub-clause (ia) of clause (61) of Part I of the Second Schedule, any donation made to The Citizens Foundation by any person shall be allowed as admissible deduction. The exemption clauses shall be applicable from 01 July 2012.

The Citizens Foundation is exempted from Income Tax whereas the supply of goods and services to The Citizens Foundation are subject to withholding tax in term of prevalent tax laws. Most of our suppliers load the withholding tax component in their price to us, which results in an increase in the cost of educating a child. We strongly request to the Government that like the exemption of income tax granted to the Foundation, the supplies to the Foundation should also be exempted from the deduction of tax at source. This assistance will provide an opportunity to the Foundation to impart education to the less privileged class of society at a lower cost.

## Annual Review

Today, as TCF completes its 17th year of operation, 610 primary school units and 220 secondary school units are being successfully operated across Pakistan and Azad Jammu and Kashmir. Our momentum of opening new schools reached another landmark with 100 new school units in locations including Kandhkot, Gambat, Pindi Gheb, Halepota, Naya Nazimabad, Pattoki and Mattu Banoke.

To effectively operate our schools, presently TCF receives funding from various organisations and thousands of individuals based in Pakistan and abroad. This year Community Development Programme (CDP) of the Planning & Development Department (Government of Sindh) partnered with TCF to provide full support for 27 TCF school units in interior Sindh. The CDP Board closely worked with TCF to ensure that the grant goes a long way in providing quality education to thousands of deserving little students at those 27 school units.

With an increase in our schools, new teachers and principals are also welcomed onboard. This year, against 795 posts, around 5,128 female candidates turned up for hiring sessions organised by our Human Resource and Regional Teams. Apart from big cities like Lahore,





Karachi and Quetta, interviews were also organised at numerous locations across the country, some of which included Tando M. Khan, Jocabadad, Gambat, Noushahro Feroz, Pai Khel, Khushab, Lakhan, Oghi, Battal, Shaidu, Silanwali, Lilla, Chakra, Pindori and Dhoke Chaudrian. With the onset of Academic Session 2012, there are 5,800 principals and teachers educating TCF students.

Since its inception, TCF is driven to provide formal quality education to the deserving children across Pakistan. Alhamdolillah, this year 13,000 girls and boys joined hundreds of TCF School units. This means a sense of greater responsibility on us to ensure that the standard and quality of education is maintained and delivered efficiently. This year TCF Education Team has introduced a new series of Social Studies books (following English and Science books) that are relevant and contextualised to promote thinking skills. This series, designed by experts in collaboration with TCF Academics team, is also equipped with detailed teachers' guide. This annual report carries further information on it as part of the initiatives taken by the Education Department.

For us, any child, from the urban slums or rural areas, making it to our school is a success story. From within such children, there are a number of TCF students who have now made it to prestigious institutions across the country. TCF Alumni Programme facilitates students after Matriculation and seeks scholarships and sponsorships for deserving graduates. This year TCF Alumni Programme successfully completed its newly initiated career counseling session with 1,650 Matriculating students. This report carries further details about the career counseling programme. TCF Alumni comprises of hundreds of bright students who are pursuing professional studies at different well-known institutes. TCF student Haisam Sohail is studying at SZABIST. Girls like Amna Bibi, Shazia Sohail and Khadija Ghumro are studying at the University of Karachi pursuing degrees in Pharmacy, Zoology and Women Studies respectively. Sidra Saleem is the first TCF student who has made it to Dow University of Health Sciences, MBBS programme. Shahida is studying at National Textile University in Faisalabad. Qasim Riaz is pursuing a degree in Mechatronics at Wah Engineering College in Wah Cantt. Two brothers Abdul Qayoom and Asad Mahmood are doing BBA from FAST in Karachi. Nadia Hussain is also doing BBA from IBA Sukkur. Anam Fatima is the first TCF Student who has completed her BBA from CBM in Karachi.

While disseminating education to children remains our focal point, simultaneously providing them opportunities to develop different skills through vocational education

is also part of our mission. TCF has built strong alliances with different organisations to provide its students with financial support to seek vocational training. Under the flag of the Karachi based Aman Foundation, AmanTech and Aman Sports have given TCF students the chance to avail technical education and participate in the first ever inter-school football tournament respectively. Another interesting recent partnership has been with Robotics Labs who proposed to collaborate with TCF in order to invite our secondary students to Robotics workshops in Karachi. To date, 11 secondary schools in Karachi have sent over 150 girls and boys to Robotics' Labs. These children have been given 'Lego Mindstorms NXT 2.0' Robotic kit (which is not commercially available in Pakistan), with a set of building instructions, they have been taught to assemble small robots. They have also been introduced to other technologies including 3D Modeling and 3D Printing.

We all suffer electricity shortages and blackouts regularly but some of the areas that TCF operates in, there is no electricity at all or the cost of providing normal electricity is exorbitant. Therefore, TCF has taken a step to resolve its electricity problems by installing a Solar PV system, on an experimental basis. This year the pilot project has been initiated in 2 schools in Sindh and Balochistan, where the system has been installed.

I am pleased to share that the Management Association of Pakistan (MAP) has awarded TCF with a certificate of Excellence in the Not for Profit Sector during its 28th Corporate Excellence Awards Ceremony. MAP started presenting national companies its 'Corporate Excellence Award' in 1982 with the objective of recognizing the best managed companies. TCF has previously won the 25th and the 26th MAP awards. This year TCF has also been awarded 'Certificate of Merit' by South Asian Federation of Accountants (SAFA) and 'Best Presented Accounts and Corporate Governance Disclosure Awards 2010', in category of Non-Governmental Organization.

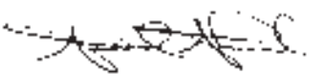
TCF owes its success to every single individual who has either joined the movement or worked in any capacity with compassion to further the Cause. My humble and deepest appreciation for thousands of volunteers, friends and supporters in Pakistan as well as in USA, UAE, Saudi Arabia, Qatar, Kuwait, UK, Switzerland, Canada, Bahrain, Singapore and Hong Kong and new supporters in Italy, Denmark and Netherlands who are committed to TCF and continue to create awareness and raise funds for the Education Programme. This year during May, in USA, I had the opportunity of meeting some of our gracious donors during the first gathering of all the TCF-USA Chapters and Board members. I am very moved by the passion of our volunteers who selflessly devote their time to help educate Pakistani children. Supporters from Seattle, Houston, Dallas, Detroit, Cleveland, Indianapolis, New Jersey, Boston, New York, Chicago, Orlando, Los Angeles and Pittsburgh enthusiastically participated in this conference and it is heartening to note that they pledged to increase support from TCF-USA to meet the needs of the growing TCF network of schools.

Here, I would specially like to thank the young school and college going volunteers globally whose enthusiasm boosts TCF movement.

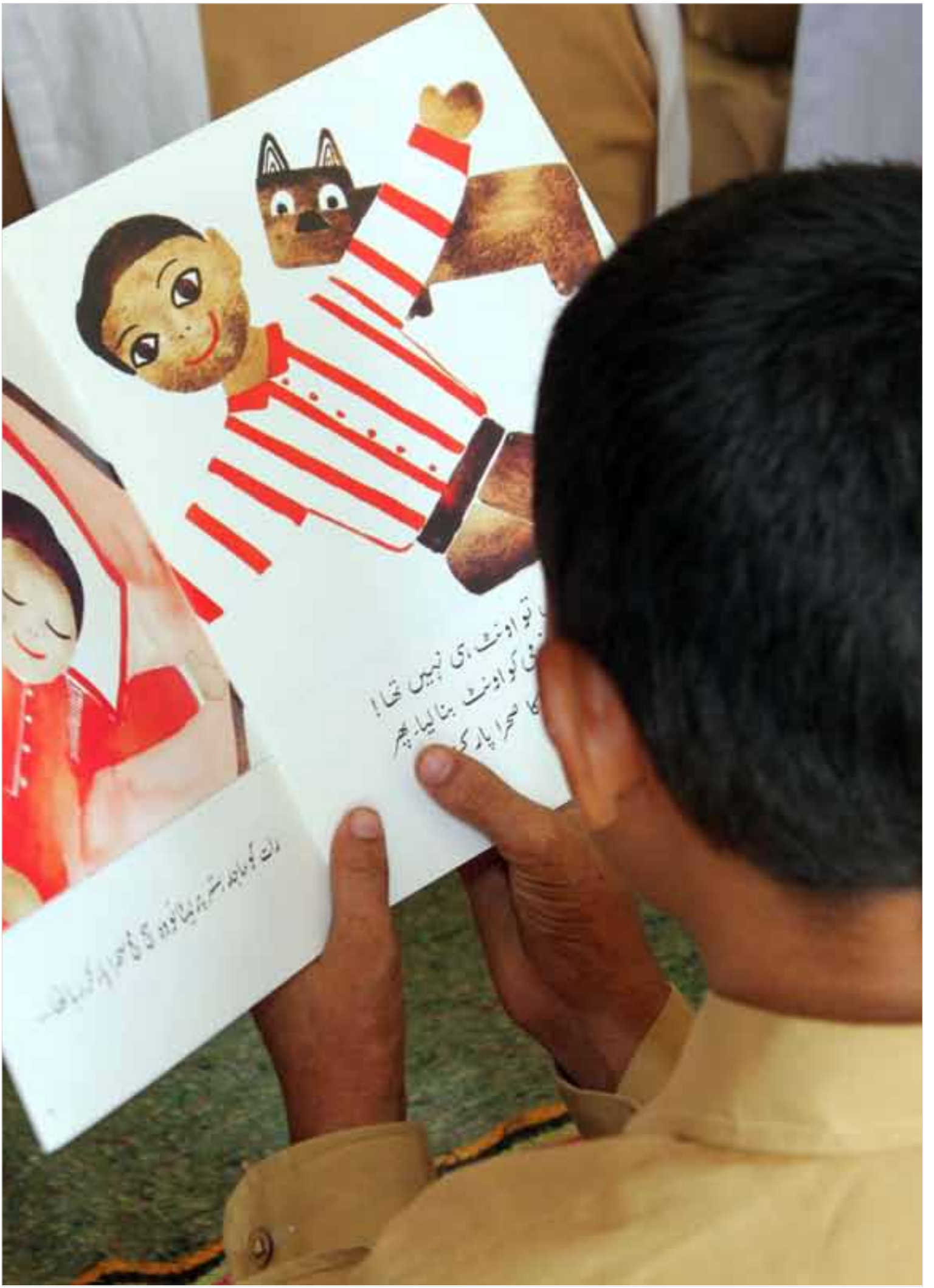
I would like to propose a warm vote of thanks for the proactive role of the Board and the audit committee in guiding the management in these difficult times. Our employees also deserve a vote of thanks for their dedication and hard work and for truly demonstrating our values of Integrity, Ownership and Continuous Improvement on a daily basis.

I am pleased to record our appreciation to all the stakeholders and look forward towards their continued support.

For and on behalf of the Board of Directors.



**Syed Asaad Ayub Ahmad**
Chief Executive Officer
August, 2012



# Profile of the Board of Directors

### Ahsan M. Saleem



Founding member on the Board of Directors of TCF, Mr. Ahsan M. Saleem has also served as chairman of TCF 1998-2006. He is Chief Executive Officer of Crescent Steel & Allied Products Limited. He is also presently serving on the board of several listed companies.

### Ateed Riaz



A founding member on the Board of Directors of TCF, Mr. Ateed Riaz has been Chief Executive Officer (in honorary capacity) of TCF from July 2002 till March 2005. Mr. Ateed Riaz has been looking after the operations of the Imrooz Association of Companies which include First Imrooz Modaraba and Tarseel Private Limited.

### Ishaque Noor



TCF director since 2004, Mr. Ishaque Noor is also Member, Executive Committee, Pakistan Chartered Accountants Club, Dubai since 2003. He is also General Manager, Pan Arabian Establishment (part of Al Batha Group) United Arab Emirates.

### Mushtaq K. Chhapra



Founding member on the Board of Directors of TCF and currently Chairman TCF, Mr. Mushtaq Chhapra is also Honorary Consul General of The Royal Nepalese Embassy in Karachi. He is serving as Director of various companies/corporations including Coastal Trading, CBM Plastics, Transpak (Pvt) Ltd., Coastal Synthetics (Pvt) Ltd., Multipaper Products (Pvt) Ltd., and Coastal Converters (Pvt) Ltd.

### Nilofer Saeed



Inducted as Director in place of late Arshad Abdulla, Ms. Nilofer Saeed is an entrepreneur and a successful businesswoman. She has been presented with the Woman Entrepreneurship Momentum Award for 2010 and has also been keenly involved in numerous charities. As Co Vice-Chairperson of The Citizens Foundation (STCF) she has greatly contributed to the sustainability of the Foundation.

### Rashid Abdulla



Founding Member on the Board of Directors of TCF, Mr. Rashid Abdulla is a leading businessman and a philanthropist by heart. He holds directorships in several companies of IBL/UDL Group.

### Lt. Gen. (Retd) Sabeeh Qamaruz Zaman



Lt. Gen. (Retd) Sabeeh Qamaruz Zaman is a Director of TCF and has also served as Chief Executive Officer of TCF from 1995 till 2001. He has also received UNESCO Award for managing best-run-NGO. He was awarded Hilal-e-Imtiaz for distinguished service in the Pakistan Army.

### Syed Asaad Ayub Ahmad



Mr. Syed Asaad Ayub Ahmad is the President, Chief Executive Officer (CEO) and a member of the TCF Board of Directors. He joined TCF in January 2009 and has previously worked for British Petroleum, Mobil Askari Lubricants Limited and Shell Pakistan Limited.

*In alphabetical order with first names*

# TCF Management



*Standing left to right:* Brig. (R) Sohail Saleem; Lt.Col.(R) Agha Mahmood; Ali Raza; Faisal Farooq; Riaz Kamlani; Khawja Bakhtiar Ahmed; Brig. (R) Tariq Ali Khan; Brig. (R) Iftikhar Ahmed
*Sitting left to right:* Tabish Shahzad; Shazia Kamal; Neelam Habib; Asaad Ayub Ahmad; Qamar Safdar; Amna Khalid; Seema Chappra

CHIEF EXECUTIVE OFFICER
Syed Asaad Ayub Ahmed

VICE PRESIDENTS
Faisal Farooq Khan
Riaz Ahmed Kamlani
Khawja Bakhtiar Ahmed

COMPANY SECRETARY
Mohammad Amin

HEAD OF RESOURCE MOBILIZATION
vacant

HEAD OF HUMAN RESOURCE
Seema Chapra

HEAD OF ENGINEERING
M. I Ali

SENIOR MANAGER SUPPLY CHAIN
Lt.Col.(R) Agha Mahmood

HEAD OF EDUCATION
Qamar Safdar

REGIONAL MANAGER SOUTH
Brig. (R) Tariq Ali Khan

REGIONAL MANAGER SOUTH WEST
Brig. (R) Sabur Ahmed Khan

REGIONAL MANAGER NORTH
Brig. (R) Sohail Saleem

REGIONAL MANAGER NORTH WEST
Brig. (R) Iftikhar Ahmed

MANAGER DONOR RELATIONS
Neelam Habib

MANAGER MARKETING
Tabish Shahzad

HEAD OF INFORMATION & TECHNOLOGY (PRO BONO)
Iqbal Abdulla

MANAGER GRANTS & ALLIANCES (PRO BONO)
Amna Khalid

GENERAL MANAGER BUSINESS DEVELOPMENT
Ali Raza

HEAD OF VOLUNTEERS & ALUMNI
Shazia Kamal

MANAGER INTERNAL AUDIT
Rais Ahmed

ADVISORS
Aneesa Naviwala • Shamshad Nabi • Nash'at Nadeem • Irfan Ali Hyder • Qaiser Mian • Javed Malik • Shahzad Mohsin

# A Look into New TCF Schools




*APPNA Michigan Campus*




*China Campus*




*Coca Cola Campus*



*Crescent Steel Campus X*




*Dow Alumni Campus*




*Hagerstown Maryland Campus*

## DONOR ENDORSEMENTS

**Mrs. Akhter K. Waheed/ Ferozsons Laboratories Ltd**
"With 10% of the world's population of children deprived of primary education residing in Pakistan, education is our #1 challenge. We are privileged to support TCF in taking on this challenge."

**Imran Hussain**
"We believe illiteracy is a fundamental issue for Pakistan and by reducing/eliminating it, country's long term problems can be tackled. TCF is doing a great job for which we all must compliment it."

# and Donor Endorsements



*Hasina Raja Campus*




*Houston Campus II*



*Interloop Campus V*



*Interloop Campus IV*




*Khalid Waheed Campus*




*PARCO Campus II*

## DONOR ENDORSEMENTS

### Interloop Welfare Trust

"Providing education to the underprivileged children of Pakistan is our priority. By the grace of God Almighty our CSR efforts for education are successfully progressing through TCF."

### Shell Pakistan Limited (SPL)

"Sustainability underlines Shell's partnership with TCF. As our endowment and schools educate more children, we believe universal education is achievable."




*Ramzan Bibi Campus*




*The Shoaib Campus*




*Shirin Sultan Dossa Campus XXIX*




*Shirin Sultan Dossa Campus XXX*




*Sughra Soomro Memorial Campus*




*Super Gas Campus*

## DONOR ENDORSEMENTS

### Muhammad Sohail Jilani, President APPNA

"It was our ambition to build a school in Pakistan. We are thankful to Allah and then to our generous members, sponsors and TCF for giving us an opportunity to achieve this goal."

### Houston Chapter, Arif & Najma Gafur

"We are grateful to TCF for giving us the opportunity to give back to Pakistan for the education that we have received there."




*Aziz Bhatti Campus*




*Faysal Bank Khushab Campus*



*Jet Campus*



*Manzalai Campus*




*N.M. Qureshi Campus*




*Aftab Tapal Campus*

## DONOR ENDORSEMENTS

### United Energy Pakistan (UEP)

"The collaboration with TCF for quality education in our concession area is one of several initiatives undertaken to provide enhanced opportunities for local youth."

### Faysal Bank Pvt. Ltd.

"Faysal Bank is committed to the promotion of education and has found an exemplary partner in TCF towards this cause. The journey ahead may be arduous, but hope can only be rekindled if education is given due importance. We congratulate TCF for all their efforts and look forward to many more projects together."




*Primrose Hill Campus*



*Shell Nowshera Campus*



*AZ Zamaan Campus*



*Jacobabad Campus*



*Pakistan State Oil Campus*



*Salehbhoy Campus*

## DONOR ENDORSEMENTS

### Sara Taseer and Salman Shoaib

"Education should be a right for all Pakistanis, not a privilege. We are glad to be supporting TCF in its excellent work towards achieving this goal."

### Waheed and Maimoona Raja

"The decision making process, speediness of school construction, teachers training and student enrollment was commendable by any standards."



*Uch Power Ltd. Campus*



*United Energy & Schlumberger Campus*




*United Energy Pakistan Campus TMK*



*Al Sari Foundation Campus*



*Naya Nazimabad Campus*



*Saya Foundation Campus*

## DONOR ENDORSEMENTS

### Yousuf Family

"'Iqra' (to learn) is one of the cornerstones of our family values. Thanks to TCF, we will now be able to pass on this vision to countless Pakistani kids, which is a dream come true."

### Giuseppe and Henriette Gmur

"TCF gave us the power to spread education in your beautiful country."


X
Y

# Programmes

# Inititatives in

## Highlights from the Academics team

The Academics team has taken on the responsibility of planning and printing TCF text books. In this regard the Social Studies book '*Hamri Dilkash Dunia*' has been developed.

### *Hamari Dilkash Dunia*

A well-structured child-centric social science education helps students develop civic competence and the knowledge, skills and attitudes required to fulfill their roles and responsibilities in society.




Since the past year the Academics team has been hard at work in strengthening this crucial area of Social Science. The team has undertaken the development of a Social Studies series called 'Hamari Dilkash Dunia' in collaboration with the Educational Resource Development Center. This series includes textbooks for students and detailed guides for teachers. The project has been staggered into three phases to be completed over the next three years. The first phase has already been completed and textbooks and teacher guides for grades I to IV have been introduced this year. Similar books and guides are to be introduced to grades V-VIII in the coming years.



# the Education Programme



In developing these books, the team's approach was to create a series, which is both consistent with the learning outcomes given in the National Curriculum, and TCF Vision of a positive social change through holistic education. Accordingly, the series covers the three core social studies themes classified by the National Curriculum - geography, history and civics. The team has included a fourth strand - Social Excellence - to the curriculum. It intends to foster a stronger understanding of ethics, deeper entrenchment of moral values, and inculcation of respect and tolerance for diversity in students.

The series provides children with the understanding of how historical and geographical aspects of the world impact the socioeconomic conditions of society through a coordinated and systematic study of these elements. Such study broadens students' perspectives as they start seeing themselves as part of the larger world, understand how this world is constantly subject to change, and learn to reconcile and adapt with change. The series facilitates this development by giving students opportunities to investigate society, explore issues, make decisions, and work independently and cooperatively with others. The accompanying teacher guides are an important resource to ensure maximum utility of the books and activities. They include period by period lesson plans that facilitate the teachers in making the learning process interactive and child-centered. Moreover different activities like group discussions, simulation exercises, role plays, debates, and outdoor and indoor projects allow students to apply their skills.

# Highlights from the Monitoring & Evaluation Team

## External Academic Evaluation

This year the team executed External Academic Evaluation (EAE) as a collaborative project with the Aga Khan University Institute of Educational Development (AKU - IED), a premium educational research institute.

The aim of this Evaluation Exercise is to establish the efficacy of TCF system on the learning outcome of its students. It was based on stratified random selection of 66 fully matured schools located in 25 cities across Pakistan. All selected schools have been evaluated for their student learning outcomes, teacher subject competency efficacy of classroom delivery, and principal's academic, administrative leadership and overall school culture and environment.

Based on the findings of this evaluation a regression model has been developed that would be used to redefine strategic planning and assist decision-making and policy-making. It will indicate where action is needed to bridge potential gaps between instructional (curricular / co-curricular) syllabus design and its delivery, training mode and its effective implementation, and assessment system and its outcomes.



# Highlights from the Training Team

This year, the team has focused on strengthening the concept of 'Critical Thinking' and 'Conceptual Knowledge' through various modules such as reflective practice, TCF Vision, Mission and 5Cs, curriculum, learning theories, subject-wise demonstrative lesson, lesson planning, micro teaching, effective use of Teacher's guide, physical education and assessment. In order to make the focus relevant to all levels, training was delivered in all four regions to separate groups of faculty dealing with Early Childhood Education, Primary, Secondary (Arts), Secondary (Science) and English Language.

## Physical Education (PE)

A Youth Sports Leadership Training (LT/YSL) was conducted from 9-19 October 2011 by two trainers (from UK) through British Council. This was attended by one member of TCF head office and four TCF school members.16 TCF students also attended this training and organized sports event in their respective schools. In 2012 this training was further translated into Urdu and conducted across all TCF schools and 6,507 teachers have attended this training. Additional module related to the establishment of International Inspiration Club was sent through British Council for TCF secondary schools. It was translated and conducted in four schools. One resource booklet 'Top Play Cards' has been translated into Urdu and sent across all TCF Primary Schools for PE teachers so that they can develop fundamental and multi-skills approach.

## Staff Development Days

A monthly training programme called 'Staff Development Day' was introduced in 2011 to develop the teachers in their respective areas. This year training modules have been added with fresh informative and interesting articles and uploaded on School Management System (SMS). A booklet has been revised with the list of articles, modules, and brief write-ups and sent to schools. The teachers are given the choice to opt for any specific need-based module.







## Principal's Academy

Principal's Academy is a training session specially designed to assist principals to gain knowledge and skills of educational leadership and management to meet the growing demands on their role for the improvement of schools.

The aim of the course is to develop the principals' capacity for improved leadership and management in schools. It will assist principals to develop skills for successful planning and implementation of school improvement initiatives for enhancing students' learning outcomes. The course is divided into Reflective Practice, Vision, Mission and Values, HR Policies, Principals Manual, School Improvement Plan, Staff Development Day, Monitoring and Evaluation as a Strategy for School Improvement and Time Management.

## New Initiative: KG Volunteer Assistants

At TCF primary schools, Kindergarten teacher manages a class of 30 little boys and girls. An increasing need has been felt for an assistant in KG to help the teacher in different activities. Keeping this in mind, a pilot project called KG Volunteer Assistants was launched in all four regions.

**Criteria:**

- Mother /female sibling of TCF Student from the community.
- Preference to be given to those mothers who have successfully gone through Aagahi (TCF Adult Literacy Programme).

**Benefits:**

- Minimal or no fee charged for the children of KG Assistant.
- Certificate of recognition/experience at completion of the academic year.
- TCF to fund KG Assistant's Matriculation examination fee and cost of books if she opts for doing Matric.
- Possibility of being offered trainee teacher role after completion of Matric.

Overall, based on the success of the pilot project, a full fledged KG Assistant Programme has been introduced in all the four regionsí primary schools.

# Collaborative Programme with



## Reading and Writing for Critical Thinking International Consortium (RWCT IC) organized the Create-Motivate-Learn (CreMoLe) Conference in Romania

Four Team members attended the Reading Writing Critical Thinking (RWCT) conference in Romania from 14-17 November 2011. The aims and objectives of the project were to improve teaching competences of adult-teachers/ tutors and to improve the content and delivery of adult education.

Through workshops, lectures and discussions the 100 participating trainers and adult educators (from 30

# other Organisations

countries) improved their knowledge on adult motivations for learning key factors, experienced strategies that motivate participation in learning and learnt more about the CreMoLe project and adult education in other countries.

## CELTA in British Council Sharjah

This year, three female team members got the opportunity of attending a certificate course in Sharjah, UAE from 15th -19th February. The course was fully sponsored by the British Council.

CELTA (Certificate in English Language Teaching to Adults) is internationally recognized. This certificate is awarded by Cambridge ESOL, part of the University of Cambridge. CELTA opens up exciting teaching opportunities around the world. The course teaches the principles of effective teaching, provides a range of practical skills for teaching English to adult learners and focuses on shared evaluation and feedback. It also provides hands-on teaching practice and helps build confidence.

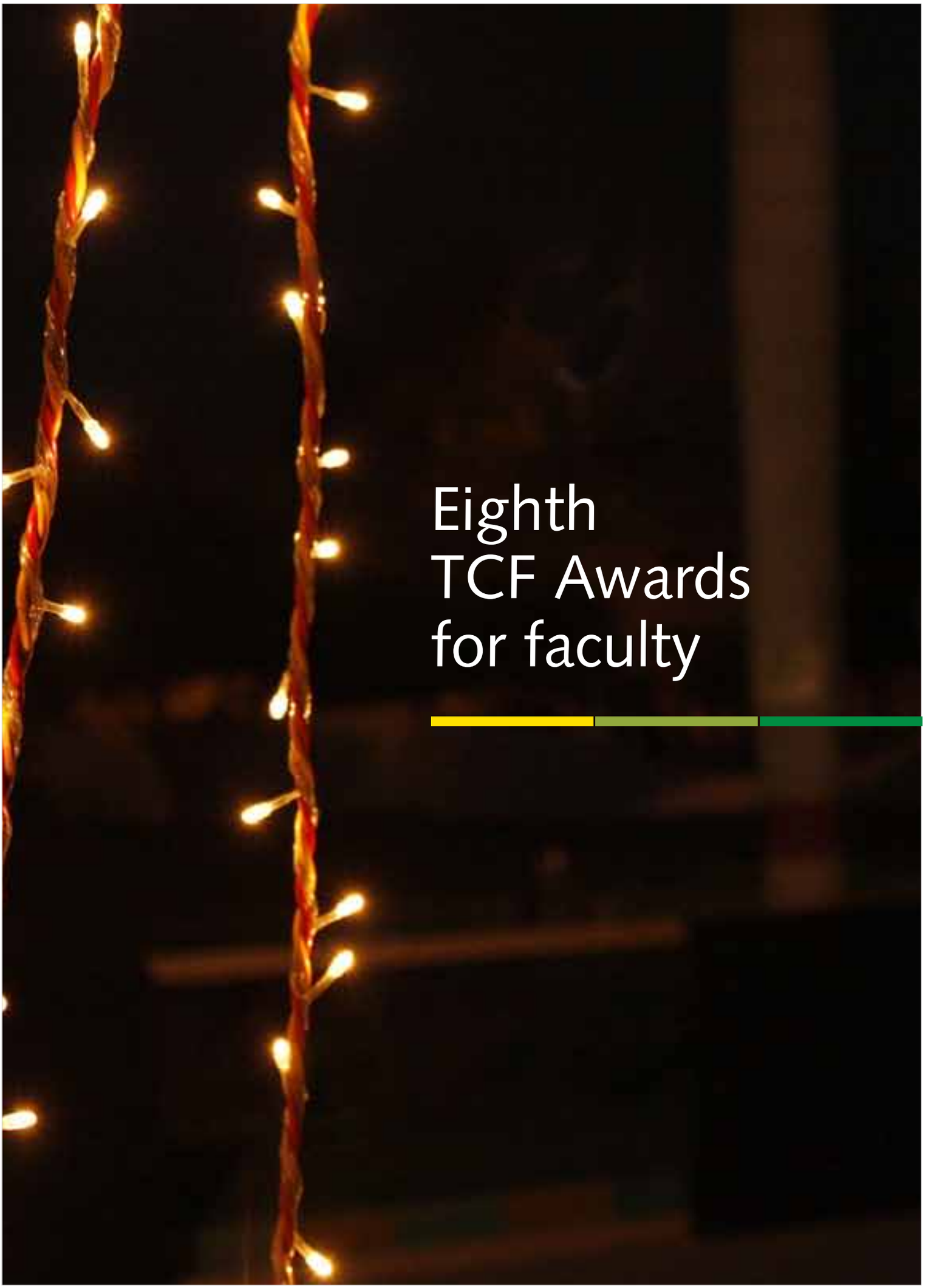
The three team members found the four-week CELTA course intensive and very interactive. They got training in a communicative teaching approach based on the best of current classroom techniques. This approach can be adapted to meet the needs of TCF students in many different contexts.

## Meeting of Critical Thinking (CT) trainers in Nepal

Open Society Foundation wanted to connect Critical Thinking (CT) trainers in South Asia/South East Asia region so that they might exchange their work across contexts and exchange their practices. In an attempt to move this idea forward, this year OSI planned a meeting in Nepal from June 28-30 with the intention of that meeting culminating in the launch of a South East Asia Network of CT trainers. This three day meeting brought together critical thinking trainers from Pakistan, Nepal and Thailand. Seven members from TCF Education Department got the opportunity to attend this meeting. They discussed and shared how their skills and practices can be leveraged in a mutually beneficial way.







# Eighth TCF Awards for faculty

TCF Awards are held every year to acknowledge TCF Faculty. TCF started giving awards to its teachers in 2004 in categories including Long Service (for 5, 10 and 15 years of service), 100% Attendance, 100% attendance for five consecutive years and excellent Matriculation results.

This year the Eighth TCF Awards took place across seven different cities to honour TCF Faculty. In November, December 2011 and January 2012, the ceremonies were organized respectively in Qasba Gujrat, Faisalabad, Lahore, Islamabad, Khushab, Petaro and Karachi. At the ceremonies in these cities, apart from bestowing awards on faculty, 51 silver medals were awarded to those TCF students who secured A+ grade in Board examinations.

On January 8, 2012, the biggest ceremony was held at the KMC Stadium in Karachi. To prepare for the event, the entire stadium was completely refurbished by TCF teams from South Region, South West Region and Head Office. From meticulously cleaning the vast space, sprucing up the ambiance to tackling numerous other miscellaneous tasks, the teams ensured the success of the ceremony. The pleasant evening welcomed 2900 teachers and principals!

The highlight of the ceremony was when popular artists Arshad Mehmood and Atiqa Odho walked up to the stage to acknowledge and appreciate the efforts of TCF teachers and lauded the commitment of TCF teams to impart quality education to less privileged children across Pakistan.

Stressing on the role of teachers in child development, Chairman and Founding Director of TCF Mushtaq K. Chhapra acknowledged TCF faculty's hard work. He shared that, "More than 100 female students of TCF have come back to teach in TCF schools. They are a beam of hope for thousands of girls studying in different TCF schools all over the country."




TCF
Awards



# Annual programmes and Volunteer-led activities





# Adult Women's Literacy Programme (Aagahi) concludes eleventh phase in May 2012.

In May this year a vibrant prize distribution ceremony marked the successful completion of the 11th phase of Adult Womenís Literacy Programme - Aagahi. Initiated in 2005, the Aagahi Adult Literacy Programme, is run in collaboration with Literate Pakistan Foundation and sponsors National Foods Ltd.(NFL) and Shield Corporation Ltd. TCF provides the classroom space, selects Aagahi teachers, solicits learners and coordinates the Programme.

Aagahi is an opportunity for women from the rural and urban slums around TCF schools to participate in the education process. Within four months, an illiterate female can read an Urdu newspaper, write a letter and do basic mathematics. To date, Aagahi has been running successfully in 35 districts and has made over 11,000 women across 790 centres in the country literate.

To celebrate the conclusion of Aagahi's 11th phase, the ceremony in Karachi welcomed senior representatives from NFL, Literate Pakistan Foundation, Shield Corporation, International Textiles Ltd. and US Agency for International Development (USAID). USAID has recently joined the partnership and is helping to scale up the Programme across the country. Mr. Edward Birgells, USAID Regional Director for Sindh who is based in Karachi commented, "USAID is proud to support this innovative community led initiative. Our shared commitment and investment in improving reading for women will help foster strong communities and new opportunities for growth."

USAID is supporting the Aagahi Centers through its Small Grants Programme, which supports innovative community led initiatives. With this grant, USAID funding will enable over 20,000 women to learn how to read.



## Summer Camp 2012

Every year TCF turns the long summer days exciting for its young students by organizing fun summer camp at its schools. Elaborately planned, TCF Summer Camp 2012 was conducted at 79 TCF school units across Pakistan. For the first time, Summer Camp was held in Faisalabad at TCF Primary Schools - Ch. Ali Akbar Campus and Faisalabad Campus. Overall the entire Programme involved more than 2,500 TCF students and 400 young volunteers from leading educational institutes of Pakistan and overseas. These youngsters who led summer camps devoted five days a week to carry out this Programme successfully. In June, summer camp volunteers were trained by a group of experienced trainers. Volunteers' recruitment and the planning was done with the guidance and support of volunteer advisors.

The modules designed for this year's camp included English, Games and Theatre for TCF students of grades III, IV and V.

Theatre drama module focused on introducing students to this specific genre of performing art and encouraging them to improve their speaking skills as well as enhance their creativity on a public platform. This module included plays of five to ten minutes in duration, both in English and Urdu that mostly involved multiple characters to encourage a big group of children to participate.

During the 'English' hour at the camp, different games, poetry sessions, reading and essay writing were done with a focus towards increasing application and speaking skills of the students.

With the intent to stimulate and enhance sharpness whilst having fun, various games like checkers, ludo, cricket, Frisbee and football were carried out at summer camp at every school.



# Mentoring Programme (Rahbar) concludes tenth phase in June 2012

In June this year, Rahbar completed its tenth successful cycle. It was held across ten different campuses in Karachi, involved 500 students of grade IX and 165 mentors.

This was the first time that Rahbar session was held in Quetta in TCF School - Ayub Stadium Campus. It involved 50 students and 14 mentors.

In Lahore, the Programme was conducted at 2 campuses and involved 65 students and more than 20 mentors.




## Career Counseling for TCF Students

In 2011 TCF Alumni department started Career Counseling sessions for grade X students. This year, the counseling programme was held in Karachi, Lahore, Faisalabad, Khushab, Qasba Gujrat, Quetta, Hub, Dadu, Rashidabad and Dharki. 1,650 Matriculating girls and boys were counseled by 275 counselors. These counselors were compassionate individuals who volunteered their time to discuss career paths with tenth graders. Apart from holding one-on-one sessions with the counselors, the programme also included a Career Fair where representatives from different universities and vocational training institutes set up stalls and provided information to these keen teenagers.

Check out TCF Website for further details and photographs of these sessions.

## Quiz competition

In May 2012, Avery Dennison organized an interesting quiz competition at TCF Primary School in Sumar Goth, Karachi. Avery Dennison also donated books to the school. The quiz was held for students in grade IV and grade V. Later, gift hampers containing stationary were also distributed among the students.



## Seeing is Believing

To reduce the prevalence of avoidable blindness among young children, longtime TCF Supporter and donor Standard Chartered Bank (SCB) has started a Programme 'Seeing is Believing' through which screening services for refractive errors are provided, spectacles for children are provided free of cost, cataract and squint surgeries, low vision devices, and other surgeries are performed. SCB is associated with eye hospital LRBT, lady healthcare workers & other partners. SCB Team members volunteered to work with students from TCF Schools of Karachi and Lahore, organised respectively in September 2011 and January 2012 in Karachi, and in February and March 2012 in Lahore.

## Fun time at Sindbad Amusement Park

Target Sourcing Services planned a fun day at Sindbad Amusement Park in Karachi for TCF Primary students in January. The students and their teachers accompanying them were also given special lunch boxes.




## Book-Reading-Activity

In February 2012, Agility Logistics' team comprising 10 members visited TCF Primary School at Khuda Bux Goth in Karachi to conduct a book reading activity. Around 150 young students spent memorable moments with the enthusiastic volunteers as they enjoyed different stories.

## Lunch time at Unilever

Unilever is a longtime TCF supporter and donor. In May this year, Unilever invited TCF students (Fifth graders) at its office in Karachi. Unilever team members sat with the students in groups and had a general discussion about school, future plans, cleanliness specially hand washing, healthy eating etc. Later on, everyone had lunch together in the office cafeteria. Special giveaways were also distributed among the students.




## Model making competition

In February 2012, HSBC bank in Karachi organized an interesting Model making competition at TCF Secondary School in Shah Faisal. The concept behind the competition was to encourage students to use recycled material creatively and become more environment- friendly. Later HSBC also distributed certificates and giveaways among the students.

## Sports Activities with Pepsi and Wal-Mart

Pepsi has been a dedicated TCF supporter and donor. During November 2011, Pepsi team conducted some fun sports activities at TCF Secondary School at Warraich and TCF Primary School at Heir in Punjab. Students from grade II till grade X actively participated and thoroughly enjoyed themselves.

Wal-Mart's team has been keenly involved to build a strong relationship with TCF. Wal-Mart is a staunch supporter and donor of TCF. In April 2011, male and female members volunteered to organize sports activities in TCF School at Hawksbay, Karachi. Cricket match was held for boys and Throw ball match was held for girls. It was a memorable day for both volunteers and the school.




## Counseling Session and a winner documentary

Committed TCF supporter and donor Barclays bank has always encouraged its team members to get engaged in interactive volunteer activities with TCF. Barclay's representative, Ali Bangash, in the rural area of Shaidu has been involved in career counseling at TCF secondary school. This year in May he counseled numerous students. Barclays made a documentary of it and sent it as an entry from Pakistan to an international competition for global citizenship award. The documentary has been declared a winner in the contest and the prize money has been donated to TCF.

## Plantation Activity and distribution of water coolers

TCF strongly encourages its supporters to conduct environment-friendly activities at its schools involving its students. Nielsen this year conducted Plantation Activity at several TCF schools in Karachi, Jaranwala, Lahore, Hyderabad, Sukkur, Rawalpindi and Peshawar. Nielson team also donated water coolers at some schools.



## First TCF Interschool Football Tournament

TCF in collaboration with AmanSports, held for the first time an exciting football tournament for its schools in Karachi and Hub. The six-day tournament featured 16 teams from different TCF schools. These teams played at various football stadiums across Karachi. The final match was played at the Mujahid Baloch football stadium in Ibrahim Hyderi on June 3rd, where Mauripur's team won the match against Korangi by two goals. CEO Aman Foundation, Mr. Ahsan Jamil distributed glittering medals to the runners up and presented the grand trophy to the winning team.



## The world of Robots

We can't deny our fascination with robots. The world of robots is especially exciting for children. Recently 150 girls and boys from eleven TCF Secondary Schools got the chance to spend unforgettable moments with robots! These students went on field trips to Robotics Labs based in Karachi. A high tech initiative, Robotics Labs offers state of the art equipment, robotic kits and high-end software to enable kids to learn by doing. TCF students were provided with 'Lego Mindstorms NXT 2.0' Robotic kit (which is not commercially available in Pakistan). Following the robotics session, the students were introduced to other technologies.

One of the instructors at Robotics Labs noted, "TCF students are certainly one of the most disciplined batches we have ever had. They are bright and cheerful. We certainly hope to host more TCF field trips in the future."

Robotics Labs has also funded the travelling costs of these trips.



# Supporters Unite

# TCF Canada Update



TCF Canada was incorporated under the Canada Corporation Act in April 2005 as a charitable organization. TCF Canada is incorporated with the objective of providing funds to charitable organizations and/or activities directed at educational opportunities for children in Pakistan. It aims to work towards building a network of supporters and volunteers for TCF all over Canada.

## TCF Canada Seventh Annual Gala Fundraiser and Dinner

This year's gala was held on June 15 at Paramount Convention Center in a suburb of Toronto. A record number of attendees as well as corporate and other sponsors supported the event. The keynote speaker was Leslie Noyes Mass, author of Back to Pakistan - A Fifty Year Journey. Ms. Mass is a longtime friend of Pakistan, having spent considerable time there recently as well as a Peace Corp volunteer in the sixties. After returning to the United States she earned her Ph.D. at the the Ohio State University in early and middle childhood education. She became the director of the Early Childhood Center at Ohio Wesleyan University, from which she retired in 2007. Dr. Mass has also authored several other books.

## Toronto Professionals School

In February, about 75 Canadian-Pakistani Chartered Accountants, investment bankers and other professionals working in downtown Toronto, gathered in the KPMG building. They were given a presentation by Najma Shamsi and Aziz Rakla, Director and President of TCF Canada respectively. A subset of this group met later to pledge its support for TCF and agreed to work together to build a school tentatively named the Toronto Professional Campus. Several thousand dollars have already been raised towards this goal with substantial donations collected during the month of Holy Ramadan.

Towards this aim, several fund raising events have been planned including an attempt to create awareness among the Pakistanis working in the Canadian corporate sector about allotting their workplace donations during the annual United Way campaign to TCF Canada.




## Mississauga Marathon

In May, several members and patrons of TCF Canada took part in the Mississauga Marathon to raise awareness and funds for TCF. Each participant found sponsors in making this year's Walk a huge success. Friends and families of the runners cheered TCF Team from the sidelines. Thousands of Canadian Dollars were raised from this successful event.

All the participants showed determination and vigour. Their driving force was to provide hope to the future of Pakistan. Friends of TCF and their children made beautiful TCF banners which attracted a lot of media attention. By the time this report was being written, it was suggested that information about TCF will be posted on Mississauga Marathon website. TCF also stands a chance to be advertised on the Marathon website as a preferred charity for next year.

# Supporters of TCF (STCF)

Following the success of The Citizens Foundation (TCF), STCF was established as the first official chapter of predominantly female volunteers and supporters united by their support and ambition to further TCF Cause through fundraising and positive projection. Based in Pakistan with support groups in Karachi, Lahore, Islamabad and Faisalabad, STCF has been actively involved in various TCF initiatives. TCF Mentoring Programme 'Rahbar' and TCF Career Counseling sessions aimed at the youth, attracted a large number of members from STCF teams in Punjab and Sindh.

## A Milestone - revival of STCF Singapore Chapter

STCF Vice Chairperson Bushra Afzal and committed TCF Supporter Saadia Awan have, over repeated visits to Singapore and hobnobbing with the Pakistan community, successfully revived STCF's Singapore chapter. More than 25 couples are now onboard as staunch supporters in Singapore!

The chapter has already received pledges, confirmations and commitments for donating land and funds to build and support TCF schools. Ms. Rabia Hassan is the designated coordinator of the Singapore Chapter. A notable mention of Mrs. Saadia Tariq who is actively involved and compassionately working for the TCF cause.

## Endowment Fund

STCF has been actively pursuing different sectors to get pledges for TCF Endowment Fund. During this fiscal year, HBL Foundation and Maskatiya Charitable Trust have donated for TCF Endowment Fund. Maskatiya Charitable Trust has pledged millions of rupees for providing scholarships to deserving TCF students who have secured A+ or A Grade and want to pursue higher education after Matriculation.

## Build-a-School Commitments

U.I Trust and Alam Foundation are gracious supporters and donors who have donated to build and support TCF Campuses. STCF extends sincere appreciation to U.I Trust and Alam Foundation.

# in Pakistan: Roundup




## TCF Zakat Campaign

Holy Ramadan is a special month for deep, inner reflection, of being thankful for His innumerable Bounties and seeking His Forgiveness. As we all continue to seek Almighty's Grace and share His blessings with the poor and deserving strata, TCF strives further to promote its cause and collect Zakat for supporting education of its deserving students from delipitated slums & rural communities. TCF is your partner as we all work towards removing barriers of class and privilege, continue to empower young minds and help make citizens of Pakistan Agents of Positive Change. One's generous donation to 'Support-A-Child' (SAC) is an invaluable gift for an entire family whose youngsters get the chance to alter their lives for the better. Like every other year, TCF team launched it's Zakat drive with zest. Special Zakat pledge forms were designed and distributed to the corporate sector, to encourage MNCs, banks, clubs and educational institutions' participation.

The Team is immensely grateful to all gracious partners who supported its Zakat drive.

A special page on TCF website encourages pledges for Zakat donation. Please view it at: www.tcf.org.pk/Zakat.aspx



## Zikr-e-Khusro

On October 21, STCF Karachi organised an engaging evening for poetry and dance enthusiasts, presented by the charming and unparalleled Zia Mohyeddin. Mr. Mohyeddin engaged the audience with the tale of Sufi poet Amir Khusro, arguably the architect of not just Qawwali but Urdu itself. The event boasted notable performances by Naheed Siddiqui, Ustad Mubarak Ali Khan, Nafees Ahmed, Ustad Bashir Khan, Ustad Salamat Husain, Ustad Naseeruddin Sami, Salamat Ali, Mehnaz, as well as alumni of the National Academy of Performing Arts. Ms. Siddiqui stole the show by a captivating and show stopping performance. "It's heartening to see the appreciation that I have just received. I'm performing in Karachi after a long time," Ms. Siddiqui said.





## Golfers play to support education of less privileged

In winter 2011, golf lovers in Karachi united to support the cause of education at the 8th Annual TCF Golf Tournament organized by TCF. Held at the Karachi Golf Club from December 17-18, 2011 the event comprised team and individual categories. A total of 60 teams and 250 individual players participated in the tournament!

Supporters of TCF (STCF), TCF Teams from Head Office, South and South West Regions diligently worked to make this tournament a success.

Amateurs, juniors and ladies played on the first day of the tournament whereas senior and veteran players participated on the final day. The prize distribution ceremony took place on the final day of the tournament.

The main sponsors of the event included Toyota Motors, Premier Insurance, Bank Al Habib and PICIC, whereas other sponsors included Sapphire Textile Mills Ltd., Chevron, National Foods, Associated Constructors Limited, Crescent Steel and Allied Products Ltd., Selimpex Int., Pakistan Beverages Ltd., Renfro Crescent, Asim S. Patka, Rizwan Rasheed, Al Meezan Investment, Atlas Asset Management and Shahsons (Private) Ltd.

Their generous donations helped TCF raise funds for its nationwide education Programme.
Iftikhar Hussain team's was declared the winner with 102 points in the team category while Bank Al-Habib Limited's team closely followed as runner up with 101 points. Marina Khan with 31 points was the winner in the ladies category, Master Mubariz Ahmed with 39 points aced the juniors match and Captain Muntazir Rizvi with 20 points was declared winner in the veterans' category.

# Happening spring & summer time

STCF Karachi organized a lovely *Mehfil-e-Naghma-o-Zaafran* (evening of songs and humour) on March 4, 2012 at a local hotel to raise funds for the TCF Education Programme. Comedian Beo Zafar performed first, who put forth hilarious jokes and funny anecdotes. Her performance was followed by versatile vocalist Fariha Pervaiz, who enthralled the audience with an interesting collection of popular songs. This lively evening was hosted by Sania Saeed.

STCF Islamabad held a memorable fundraiser on April 6, 2012 at a hotel where guests enjoyed hi-tea, an exclusive lawn exhibition and a musical performance by Club Caramel. Karachi-based designer Rosy Patel and S&S Textiles' lawn prints were exhibited. The British High Commissioner's wife Mrs. Fariba Thomson, her daughters Pari and Lily, the Turkish ambassadorís wife Mrs. Emel Hizlan and her daughters Alkim and Sidal spiritedly participated in the exhibition and whole heartedly supported STCF Islamabad.

On April 28, 2012 STCF Karachi organized a special conference at a local cafe to introduce an interesting Interschool Singing Competition for all private schools in Karachi. The competition 'Obhartay Sitaray'(OS) will encourage healthy interaction within different schools by having an interschool singing competition. The private schools who attended the conference included Bayview, Generation, St. Joseph, Froebel's International, Lahore Grammar, Karachi Grammar, Washington International, Delsol, Beaconhouse, Lécole, Jaffer Public, World Academy, P.E.C.H.S, Lyceum, Nixor College, The City School, Cordoba and Southshore School. By the time this report was being written, the competition was set to culminate on October 27, 2012 at a local hotel - venue courtesy Mrs. Sultana Hashwani.

On May 16, 2012, STCF Karachi (KDA Chapter) organized a lively evening for ladies. It was attended by some 300 ladies. The event was hosted by members of STCF KDA Chapter and Naureen Sattar, who, apart from serving as host also regaled the audience with a lovely singing performance. With tabbla and sitar playing in the background, Ms. Sattar sang famous ghazals. Later, scrumptious hi-tea followed. Speaking at the occasion, STCF Vice Chairperson Bushra Afzal appealed for more pledges from the guests to help TCF support its growing network of schools.





## .... of auction, tea and music

STCF Karachi team's well-attended annual event is the Ladies Hi-Tea and Auction which is organized to raise funds for TCF Education Programme. It was held on November 25, 2011 and brought out the ladies in full regalia. The fun-filled evening, attended by some 200 ladies, was charged with enthusiasm - especially when the auction started. The items included calligraphy pieces in oil, coffee tables, paintings, miniature art, antique furniture, consoles, carpets, vouchers for make-overs and a return ticket to Dubai. Director TCF & Chairperson STCF Nilofer Saeed was the hostess. She charmed the audience whereas Vice Chairperson STCF Bushra Afzal entertained the audience by her apt mimicry of various political figures. As the evening proceeded, ghazal singer Raheel enchanted the audience with her soulful voice.

During the same month in the country's capital, a lovely garden tea was arranged by STCF Islamabad's team to create awareness and raise funds.

On December 9, 2011 STCF Islamabad in collaboration with the Turkish embassy, organized an enchanting musical evening with popular musicians Zeb and Haniya. Turkish Ambassador Mr. Mustafa Babur and his wife Emel Hizlan put in a lot of effort, funds, allotted their premises and compassionately worked with Asma Khan who heads the STCF Islamabad team.

This fundraiser was generously supported by Warid Telecom, Zorlu Enerji, Cisco, Microsoft, Ufone, Pakistan Tobacco Company, Nokia- Siemens Network, Mobilink, Telenor and Iqra University. A lot of well wishers including architects Murad Jamil and Associates came forward to make this musical experience a big success. Zeb and Haniya sang in Urdu, Pushto and Turkish languages. The concert was followed by sumptuous Turkish cuisine prepared by chefs at the Turkish Embassy.

# TCF-UAE striving on




TCF-UAE Chapter broadened itís range of activities conducted annually to spread awareness about TCF within the diverse segments of UAE, including a Supporters Conference in Dubai and participation in a walk held by Dubai Cares (a philanthropic organization founded by the Sheikh , Vice President and Prime Minister of UAE and Ruler of Dubai). This raised substantial support for TCF Programmes.

In the holy month of Ramadan 2011, Mr. Furqan Athar, a committed TCF Supporter, organized a Suhoor at his residence in Dubai. The objective was to introduce TCF to new people within the community, including Abu Dhabi. TCF documentary was shown after dinner.

TCF-UAE continued to play an active role in encouraging and supporting activities in the Oman, Kuwait and Qatar chapters.

## Exciting Events in UAE

During the month of October 2011, TCF-UAE team was invited by the American School of Dubai to make a presentation to the members of its International Student Association. The presentation was well-received; the students showed an interest in attending TCF Summer Camp and volunteering at TCF-UAE office to gain work experience.




Members of TCF-UAE, Mr. Danish Mumtaz and Mr. Farid Alvie, organized a two-day workshop in October 2011 by renowned Pakistani photographer, Mr. Arif Mehmood. He presented his portfolio of work. The participants also got an opportunity to learn various aspects and techniques of photography as well as have their photographs critiqued by him.



TCF Supporters in UAE also participated in a walk held by Dubai Cares in February 2012. The walk was arranged to support millions of children in developing countries who have little or no access to quality primary education. TCF-UAE participated in the walk with a group of over 200 supporters and was joined by TCF Director, Mrs. Nilofer Saeed, from Pakistan.

The Jumeirah Primary School held its annual Spring Fair in February 2012. The school's Parents Association actively supported TCF. Mr. Shahab Haider, CEO of TCF-UAE, met with the Principal of Jumeirah Primary School and a few senior members of the Parents Association to thank them for their continued support.

TCF Ladies Group led by Mrs. Sameena Ahmad has been a constant source of support in helping promote TCF in UAE. The group's monthly meetings are instrumental in creating awareness within the local community. A fun-filled evening was hosted by one of the members of the group Mrs. Tasmeer Kamal, in May 2012, to raise support for the cause.

## Ascend to Education a Success!

A group of four committed gentlemen, who had embarked upon a memorable trek to the K2 Base Camp on 30th June 2012, have returned home safely. The driving force behind their journey was a desire to highlight the urgent need for education in Pakistan and to support the noble cause of The Citizens Foundation (TCF).

For Mahmoud Malik, Tahir Rafiq, Jasim Malik and Shahid Bhatti, their journey was quite an adventure; the trek truly lived up to its expectations. They walked on glaciers in minus 10 degree Centigrade, dodged crevasses and climbed the icy slopes of the K2 Mountain with the aid of ropes. It took 14 hours to cross it; hanging-on to the ropes attached to the mountain sides. The Gondogoro La Pass crossing at 5600M was the most dangerous and life-threatening situation that they encountered to finally raise the flag of TCF at that height.







TCF-UAE held its Supporters Conference in January 2012 in Dubai. A presentation highlighting the ongoing efforts of TCF was presented by TCF Founding Director, Mr. Ahsan Saleem. Founder and Group CEO of Abraaj Capital Mr. Arif Naqvi, was the keynote speaker. TCF Founding Directors profusely thanked the Pakistani and local communities in UAE for their continued support for TCF.

## TCF Activities in Qatar

In November 2011, TCF Chairman and Founding Director, Mr. Mushtaq Chhapra, was invited as a guest speaker to attend the 3rd World Innovation Summit for Education (WISE) and to receive an award for TCF in Doha. WISE is an initiative of the Qatar Foundation.

Mr. Rashid Muhammad, a staunch TCF supporter, organized a meeting at the Millennium Hotel in Doha to introduce TCF to the local community. Mr. Mushtaq Chhapra addressed the gathering. Dr. Ishrat Husain, Dean and Director of the Institute of Business Administration, Karachi, also spoke on the occasion.



# TCF-UK celebrates opportunities

TCF-UK was incorporated and registered as a charity in 2001. TCF-UK raises funds for the construction and ongoing support of TCF schools. Funds are raised from individuals, corporates, matched giving, Trusts and events. This has been an exciting year for TCF-UK. New trustees and team members have joined in and a number of successful events have been organised to raise awareness and funds.

Formally known as Friends of TCF (FTCF), this chapter is now known as The Citizens Foundation (UK) or TCF-UK. Trustees of TCF-UK are drawn from a variety of professional and business backgrounds and are appointed on an entirely voluntary basis. Board of Trustees of TCF-UK has welcomed Mr. Atif Ali and Ms. Nazia Haider as new members who are long standing supporters of TCF. Their professionalism and enthusiasm has aided strategic decision making of TCF-UK. Also, Ms. Saadia Mahmood and Ms. Mariam Akhtar have joined in the fundraising team at TCF-UK office. Here, TCF-UK would specially like to mention that its committed supporter base has seen a steady growth. The generosity and dedication of donors, volunteers, and celebrity ambassadors continues to inspire and propel the Team. To date, 39 TCF schools have been built by TCF-UK supporters. Furthermore, throughout the year donors in UK have supported 69 TCF Schools!

## Highlights

July 10, 2011 marked the 11th anniversary of the nation's favorite London 10K road race and dedicated supporters of TCF-UK rose to the challenge. They were among thousands of citizens who were running to raise funds for their favorite charities. The funds raised by TCF-UK runners went towards supporting one TCF primary school for the current academic year.



# and new supporters

In September 2011, TCF-UK held an exclusive screening of a critically-acclaimed movie at the prestigious Apollo Cinema in Piccadilly. The event was a huge success and attracted a number of new supporters.

On September 21, BBC reporter, Mishal Husain hosted an event featuring Professor Anatol Lieven who discussed his most recent publication, *Pakistan: A Hard Country*. According to The Telegraph, the book dispels the myth of Pakistan as a country on the brink. Panel members included journalist Irfan Husain who has been contributing to Pakistani and foreign publications for over 30 years. This event provided the opportunity to re-engage with a number of existing supporters, and sparked a lively debate. Professor Lieven is a strong advocate of TCF and continues to speak about TCF at other related events on Pakistan.



TCF-UK Team was also invited to speak at a panel event on Aid and Development in Pakistan, organised by UK South Asian media group The Samosa. It was a platform where the Team shared the distinguishing features of TCF and its successful operations.



The University College London's Pakistani Society wrapped up a year of successful fundraising for TCF-UK by organizing a musical event with Bilal Khan. All the proceeds were donated to TCF-UK.

# News from TCF-USA

Since 2002, TCF-USA has been operating as a professionally managed, tax exempt charity with a support network of volunteer chapters across America. From fundraising events to creating awareness, TCF-USA counts on its support groups across different states of America to further the Cause. TCF-USA support groups have been organizing a number of successful events and galas to raise more funds for TCF in 2012.

On March 25, a special brunch was arranged at Fairchild Tropical Gardens in Florida. It featured author and educator Ms. Leslie Mass. She spoke about her journey to Pakistan and her volunteering experience with TCF. Leslie Mass was a Peace Corp volunteer in Pakistan during the 60's.




After two successful annual fundraisers that helped the Washington DC Chapter build a new TCF school and ensure its operational support for 10 years, the chapter held its third event in the DC metro area on May 5. The event combined dinner with musical entertainment and an auction of exclusive Pakistani art. It was hosted by popular comedian Dan Nainan. The lively evening was attended by three of TCF founding directors. Here it is worth mentioning that the Washington DC chapter was founded in 2009 and is lead by Shimmi Kidwai and supported by a group of young professionals. These individuals are dedicating their time and effort to support education for less privileged children in Pakistan.

TCF supporters in Dallas-Fort Worth (DFW) area organized a grand gala on May 27 to celebrate the first anniversary of DFW Campus I, located in Matiari, Sindh. More than 300 guests (with young participants in huge number) turned up to express their support. They all left with a sense of belonging and commitment towards their fellow students in Pakistan. The DFW chapter aims to build another TCF School to provide education to even more less privileged children in Pakistan.

On April 7, the Houston chapter organized the biggest Pakistani charity gala in the history of Houston, with more than 900 guests. A new record was set in terms of donations and pledges received by TCF-USA. This includes pledges to donate six plots of land in the provinces of Sindh, Punjab and Khyber Pakhtunkhwa. TCF-Houston aims to construct and operate 12 campuses over the next five years - bringing quality education to 3,500 children year after year. Post-event, supporters in Houston were also invited to talk about TCF on ABC Channel 13.




May 11 and 12 was a special weekend for the volunteers who work for TCF in the USA .It was the first gathering of TCF-USA Chapters and Board members across America and the TCF Pakistan Board.TCF Director Nilofer Saeed, TCF Chairman Mushtaq Chhapra and TCF CEO/President Asaad Ayub were very encouraged by the passion of these people from Seattle, Houston, Dallas, Detroit, Cleveland, Indianapolis, New Jersey, Boston, New York, Chicago, Orlando, Los Angeles and Pittsburgh.





# Financials

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## Auditors' Report to the Members

We have audited the annexed balance sheet of **The Citizens Foundation** ("the Foundation") as at 30 June 2012 and the related income and expenditure account, statement of comprehensive income, statement of changes in funds and reserves, cash flow statement together with the notes forming part thereof, for the year then ended and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

It is the responsibility of the Foundation's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

a) in our opinion, proper books of account have been kept by the Foundation as required by the Companies Ordinance, 1984;

b) in our opinion:

   i) the balance sheet and income and expenditure account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied;

   ii) the expenditure incurred during the year was for the purpose of the Foundationís business; and

   iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Foundation;

c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, income and expenditure account, statement of comprehensive income, statement of changes in funds and reserves, cash flow statement and together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan and give the information required by the Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the Foundation's affairs as at 30 June 2012 and of the surplus, changes in funds and reserves and its cash flows for the year then ended; and

d) in our opinion, no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980.

KPMG Taseer Hadi & Co.

**Date: 31 July 2012**

**Karachi**

**KPMG Taseer Hadi & Co.**
**Chartered Accountants**
**Mazhar Saleem Hamdani**

KPMG Taseer Hadi & Co., a Pakistani firm registered in Pakistan and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG Inetrnational"), a Swiss entity.

# Balance Sheet

*As at 30 June 2012*

| | Note | 2012 | 2011 |
|---|---|---|---|
| | | (Rupees in '000) | |
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property and equipment | 5 | 2,975,862 | 2,631,054 |
| Intangible assets | 6 | 5,971 | 4,262 |
| Long term investments | 7 | 112,463 | 101,571 |
| Long term deposits | | 8,753 | 2,482 |
| | | 3,103,049 | 2,739,369 |
| **Current assets** | | | |
| Advances and prepayments | 8 | 56,097 | 41,937 |
| Accrued income and other receivables | 9 | 9,596 | 7,942 |
| Short term investments | 10 | 798,577 | 537,830 |
| Cash and bank balances | 11 | 68,046 | 174,140 |
| | | 932,316 | 761,849 |
| **Total assets** | | 4,035,365 | 3,501,218 |
| **FUNDS AND LIABILITIES** | | | |
| Capital fund | 12 | 1,500 | 1,500 |
| General fund | | 725,194 | 755,618 |
| Surplus / (deficit) of income over expenditure for the year | | 57,617 | (625) |
| Unrealised gain on remeasurement of available for sale investments | | 20,351 | 20,010 |
| | | 804,662 | 776,503 |
| **Non-current liabilities** | | | |
| Endowment fund | 13 | 184,202 | 132,840 |
| Deferred income relating to operating fixed assets | 14 | 2,575,088 | 2,130,185 |
| Deferred income relating to school support and children education | 15 | 322,850 | 360,535 |
| | | 3,082,140 | 2,623,560 |
| **Current liabilities** | | | |
| **Accrued expenses and other liabilities** | 16 | 148,563 | 101,155 |
| **Contingencies and commitments** | 17 | | |
| **Total funds and liabilities** | | 4,035,365 | 3,501,218 |

The annexed notes 1 to 26 form an integral part of these financial statements.

CHIEF EXCEUTIVE OFFICER

DIRECTOR

# Income and Expenditure Account

*For the year ended 30 June 2012*

| | Note | 2012 | 2011 |
|---|---|---|---|
| | | (Rupees in '000) | |
| **INCOME** | | | |
| **Donations** | *18* | 1,120,390 | 900,462 |
| Income on investments | | 61,197 | 21,461 |
| Profit on bank accounts | | 4,162 | 8,157 |
| Exchange gain - net | | 5,925 | 11,199 |
| Dividend income | | 12,660 | 6,142 |
| Capital gain on disposal of investments | | 7,554 | - |
| Gain on disposal of fixed assets | | 35,644 | 32,035 |
| | | 1,247,532 | 979,456 |
| **OPERATING EXPENDITURE** | | | |
| ***Education Programme*** | | | |
| Subsidies to TCF schools | *19* | 471,255 | 413,126 |
| Books, copies, uniforms and other school supplies | | 140,713 | 92,464 |
| Repair and maintenance charges | | 56,184 | 30,889 |
| School vehicle running and maintenance | | 64,934 | 47,945 |
| Teachers' training | | 37,209 | 25,071 |
| School supervision and monitoring | | 79,324 | 76,814 |
| Depreciation on school assets | *5.2* | 209,033 | 185,169 |
| Other school expenses | *20* | 24,934 | 18,559 |
| | | 1,083,586 | 890,037 |
| ***Programme Administration*** | | | |
| Salaries and other benefits | *21* | 49,069 | 39,411 |
| Resource mobilization expenses | | 24,348 | 18,169 |
| Vehicle running and maintenance | | 3,260 | 3,104 |
| Travelling and conveyance | | 2,035 | 2,427 |
| Utilities | | 2,954 | 1,387 |
| Communication | | 3,792 | 3,213 |
| Printing and stationery | | 3,793 | 3,316 |
| Depreciation | *5.2* | 11,002 | 9,746 |
| Office rent | | - | 4,670 |
| Other expenses | *22* | 6,076 | 4,601 |
| | | 106,329 | 90,044 |
| **Total Operating Expenditure** | | 1,189,915 | 980,081 |
| **Flood relief** | | | |
| - Donations | | - | 210,209 |
| - Expenses | | - | (210,209) |
| | | - | - |
| **Surplus / (deficit) of income over expenditure for the year** | | 57,617 | (625) |

The annexed notes 1 to 26 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

# Statement of Comprehensive Income

*For the year ended 30 June 2012*

| | 2012 | 2011 |
|---|---|---|
| | (Rupees in '000) | |
| Surplus/(deficit) of income over expenditure for the year | 57,617 | (625) |
| **Other comprehensive income** | | |
| Unrealised gain on remeasurement of available for sale - investments | 341 | 14,728 |
| Other comprehensive income for the year | 341 | 14,728 |
| Total comprehensive income for the year | 57,958 | 14,103 |

The annexed notes 1 to 26 form an integral part of these financial statements.

CHIEF EXCEUTIVE OFFICER

DIRECTOR

# Cash Flow Statement

*For the year ended 30 June 2012*

| | Note | 2012 | 2011 |
|---|---|---|---|
| | | (Rupees in '000) | |
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | |
| Cash generated from support donation operations | 23 | (90,632) | 46,850 |
| Long term deposits | | (6,271) | (68) |
| Net cash (used in) / generated from operating activities | | (96,903) | 46,782 |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | |
| Capital expenditure | | (568,348) | (437,061) |
| Sales proceeds on disposal of fixed assets | | 36,569 | 32,759 |
| Investments - Long term and Short term | | (263,744) | (540,697) |
| Income on investments | | 58,304 | 16,843 |
| Net cash used in investing activities | | (737,219) | (928,156) |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | | |
| Endowment fund | | 51,362 | 31,794 |
| Deferred receipts relating to Build donations | | 510,013 | 385,869 |
| Deferred receipts relating to school support and children education | | 166,653 | 302,449 |
| Net cash generated from financing activities | | 728,028 | 720,112 |
| Net decrease in cash and cash equivalents | | (106,094) | (161,262) |
| Cash and cash equivalents at beginning of the year | | 174,140 | 335,402 |
| Cash and cash equivalents at end of the year | | 68,046 | 174,140 |

The annexed notes 1 to 26 form an integral part of these financial statements.

CHIEF EXCEUTIVE OFFICER

DIRECTOR

# Statement of Changes in Funds & Reserves

*For the year ended 30 June 2012*

| | Capital fund | General fund | Accumulated deficit | Un-realised gain on remeasurement of available for sale investments | Total |
|---|---|---|---|---|---|
| | (Rupees in '000) | | | | |
| Balance as at 30 June 2010 | 1,400 | 780,910 | (25,192) | 5,282 | 762,400 |
| **Transaction with members of the Foundation recognized directly in Funds and Reserves for the year ended 30 June 2010** | | | | | |
| Transfer of deficit of income over expenditure to the general fund | - | (25,192) | 25,192 | - | - |
| Transfer from General Fund to Capital Fund | 100 | (100) | - | - | - |
| **Total comprehensive income for the year** | | | | | |
| Deficit of income over expenditure | - | - | (625) | - | (625) |
| *Other comprehensive income* | | | | | |
| Unrealised gain on remeasurement of available for sale investments | - | - | - | 14,728 | 14,728 |
| Total comprehensive loss for the year | - | - | (625) | 14,728 | 14,103 |
| Balance as at 30 June 2011 | 1,500 | 755,618 | (625) | 20,010 | 776,503 |
| **Transaction with members of the Foundation recognized directly in Funds and Reserves for the year ended 30 June 2012** | | | | | |
| Transfer of deficit of income over expenditure to the general fund | - | (625) | 625 | - | - |
| Transfer from General Fund to Deferred Support for TCF Schools in Earth Quake Area | - | (29,799) | - | - | (29,799) |
| **Total Comprehensive income for the year** | | | | | |
| Surplus of income over expenditure | - | - | 57,617 | - | 57,617 |
| *Other comprehensive income* | | | | | |
| Unrealised gain on remeasurement of available for sale investments | - | - | - | 341 | 341 |
| Total comprehensive income for the year | - | - | 57,617 | 341 | 57,958 |
| **Balance as at 30 June 2012** | 1,500 | 725,194 | 57,617 | 20,351 | 804,662 |

The annexed notes 1 to 26 form an integral part of these financial statements.

CHIEF EXCEUTIVE OFFICER

DIRECTOR

# Notes to the Financial Statements

*For the year ended 30 June 2012*

## 1. LEGAL STATUS AND NATURE OF OPERATIONS

The Citizens Foundation ("the Foundation") was incorporated in Pakistan as company limited by guarantee on 24 September 1996 under section 42 of the Companies Ordinance, 1984. The Foundation is principally engaged in establishing schools to promote education. The Foundation receives funds from cross sections of society within and outside Pakistan for building of schools as well as for its operation. These donations are made by organizations, institutions and individuals.

The registered address of The Citizens Foundation is Plot 20, Sector 14, Korangi Industrial Area, Karachi, Pakistan.

## 2. BASIS OF PREPARATION

### 2.1 Statement of compliance

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984. In case requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 shall prevail.

### 2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except for:

- available for sale investments which are stated at their fair values.
- donated land and buildings which are stated at valuation as described in note 4.1.

### 2.3 Functional and presentation currency

The financial statements are presented in Pak Rupees which is also the Foundation's functional currency and have been rounded off to the nearest thousand Rupee.

### 2.4 Use of estimates and judgements

The preparation of financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of 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 estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments and estimates made by management that may have a significant risk of material adjustments to the financial statements in subsequent years are as follows:

*Operating fixed assets and intangible assets*

The Foundation reviews the rate of depreciation, useful life, residual value and value of assets for possible impairment on an annual basis. Any change in the estimates in future years might affect the carrying amounts of the respective items of operating fixed assets and intangible asset with a corresponding affect on the depreciation and amortisation charge and impairment.

*Held to maturity investment*

The Foundation has classified certain investments as held to maturity. In this regard, judgment is involved in evaluating the intention and ability to hold these investments till their respective maturities.

*Available for sale investment*

Management has determined fair value of certain investments by using quotations from active market condition and information about the financial instruments. These estimates are subjective in nature and involve some uncertainties and matters of judgement (e.g. valuation, interest rate, etc.) and therefore, cannot be determined with precision.

## 3. STANDARDS, AMENDMENTS OR INTERPRETATIONS WHICH BECAME EFFECTIVE DURING THE YEAR

During the year certain amendments to Standards or new interpretations became effective during the year. However, the amendments or interpretations did not have any material effect on the financial statements of the Foundation.

### 3.1 New / revised accounting standards, amendments to published accounting standards, and interpretations that are not yet effective

The following standards, amendments and interpretations of approved accounting standards are only effective for annual periods beginning from the dates specified below. These standards are either not relevant to the Foundationís operations or are not expected to have significant impact on the Foundation's financial statements, other than increased disclosures in certain cases:

- Amendments to IAS 12 - deferred tax on investment property (effective for annual periods beginning on or after 1 January 2012).
- IAS 19 Employee Benefits (amended 2011) - (effective for annual periods beginning on or after 1 January 2013).
- Presentation of Items of Other Comprehensive Income (Amendments to IAS 1) - (effective for annual periods beginning on or after 1 July 2012).
- IAS 27 Separate Financial Statements (2011) - (effective for annual periods beginning on or after 1 January 2013). IAS 27 (2011) supersedes IAS 27 (2008).
- IAS 28 Investments in Associates and Joint Ventures (2011) - (effective for annual periods beginning on or after 1 January 2013).
- Offsetting Financial Assets and Financial Liabilities (Amendments to IAS 32) - (effective for annual periods beginning on or after 1 January 2014).
- Offsetting Financial Assets and Financial Liabilities (Amendments to IFRS 7) - (effective for annual periods beginning on or after 1 January 2013).
- Annual Improvements 2009-2011 for IAS 1, IAS 16, IAS 32 and IAS 34 (effective for annual periods beginning on or after 1 January 2013).
- IFRIC 20 - Stripping cost in the production phase of a surface mining (effective for annual periods beginning on or after 1 January 2013).

## 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these financial statements are set out below and have been consistently applied to all years presented.

### 4.1 Property and equipment

***Owned***

These are stated at cost less accumulated depreciation and accumulated impairment losses, if any, except for freehold and leasehold land and donated land and buildings. Cost include expenditure directly attributable to the acquisition of an asset. The cost of self-constructed assets includes the cost of materials, direct labour and any other costs directly attributable to bring the assets to a working condition for their intended use.

Subsequent costs are included in the asset's carrying amount or are recognised as a separate asset, as appropriate, only when it is probable that future benefits associated with the item will flow to the Foundation and the cost of the item can be measured reliably.

The value assigned to the leasehold land is not depreciated since the lease is renewable at the option of the lessee.
Donated land is stated at nominal value or actual cost of acquisition as the case may be. Donated buildings are initially measured at valuation determined by the management and subsequently carried at valuation less accumulated depreciation and accumulated impairment, if any.

Depreciation is charged to income and expenditure account under the straight-line basis at rates specified in note 5.1 to these financial statements. Depreciation is charged on operating fixed assets from the date asset is available for intended use upto the date the asset is disposed off. Depreciation methods, useful lives and residual values are reviewed at each reporting date. Normal repairs and maintenance are charged to income and expenditure account as and when incurred. Gains and losses on disposal of an item of property and equipment are taken to income and expenditure account currently.

Capital work in progress is stated at cost accumulated upto the reporting date. Assets are transferred to operating fixed assets when they are available for intended use.

**4.2 Intangible assets**

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortized on a straight line basis over their estimated useful lives.

Costs that are directly associated with identifiable software products controlled by the Foundation and have probable economic benefit beyond one year are recognised as intangible assets.

Costs associated with maintaining computer software products are recognised as expense as and when incurred.

**4.3 Investments**

All investments in equity securities and units / certificates of open and closed end mutual funds classified as available for sale are initially recognized at fair value and subsequently remeasured at fair value and any resultant gain or loss recognised directly in the funds and reserves until derecognised or impaired, when the accumulated adjustments recognised in funds and reserves are included in the income and expenditure account. Any reversal in impairment loss is recognised in income and expenditure account except for equity instruments in which case it is recognized in statement of funds and reserves.

The fair value of these investments are determined on the basis of year-end bid prices obtained from stock exchange quotations and the relevant redemption prices for open end mutual fund units.

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity that an entity has the positive intention and ability to hold to maturity. Investments classified as held to maturity are recognised initially at fair value, plus attributable transaction cost. Subsequent to initial recognition, these are stated at amortised cost.

**4.4 Other payables**

Other payables are recognized initially at fair value plus directly attributable cost, if any, and subsequently measured at amortized cost.

**4.5 Impairment**

The carrying amount of assets are reviewed at each balance sheet date to determine whether there is any indication of impairment of any asset or group of assets. If any such indication exists, the recoverable amount of such asset is estimated and impairment loss is recognised in the income and expenditure account.

**4.6 Financial instruments**

All the financial assets and financial liabilities are recognized at the time when the Foundation becomes a party to the contractual provisions of the instrument. All the financial assets are derecognized at the time when the Foundation loses control of the contractual rights that comprise the financial assets. All financial liabilities are derecognized at the time when they are extinguished that is, when the obligation specified in the contract is discharged, cancelled, or expires. Any gain or loss on derecognition of the financial assets and financial liabilities is taken to income and expenditure account.

**4.7 Offsetting of financial assets and financial liabilities**

Financial assets and financial liabilities are set off and only the net amount is reported in the balance sheet when there is a legally enforceable right to set off the recognised amount and the Foundation intends to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

**4.8 Income recognition**

Donations for school operations are recognized as income as and when received.

Donations related to operating fixed assets e.g. for building schools etc. received in cash are recognized as deferred income and amortized over the useful lives of asset from the date the asset is available for intended use.

Donations received for school support and education of a child till matriculation are deferred and recognised as income on a systematic basis to match them with the related costs that they are intended to compensate.

Gain or losses on sale of investments are included in income and expenditure account on the date at which the transaction takes place.

Dividend income is recongized when the right to receive dividend is established.

Income on term finance certificates is recognised using the effective yield basis.

Income on deposit accounts, term deposits receipts and treasury bills are recognised on time proportion basis taking in to account the effective yield.

Miscellaneous income, if any, is recognized on receipt basis.

**4.9 Provision for compensated absences**

The Foundation accounts for all accumulated compensated absences when employees render services that increase their entitlement to future compensated absences.

**4.10 Expenses**

All expenses are recognised in the income and expenditure account on accrual basis.

**4.11 Taxation**

The Foundation enjoys exemption from income tax under clauses (60) and (92) of Part I of Second Schedule to the Income Tax Ordinance, 2001, consequently no provision for taxation is made in these financial statements.

Further, through Finance Act, 2012 income of the Citizens Foundation has been provided specific exemption from tax under new sub-clause (xxviii) of clause (66) of Part I of the Second Schedule. Further by virtue of new sub-clause (ia) of clause (61) of Part I of the Second Scehdule, any donation made to the Citizens Foundation by any person shall be allowed as admissible deduction. The exemption clauses shall be applicable from 01 July 2012.

**4.12 Provisions**

Provisions are recognised in the balance sheet when the Foundation has a legal or constructive obligation as a result of past event, 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. However, provisions are reviewed at each balance sheet date and adjusted to reflect current best estimate.

**4.13 Foreign currency transactions**

Foreign currency transactions are translated into Pak Rupees at exchange rates prevailing on the date of transaction. All monetary assets and liabilities in foreign currencies at the reporting date are translated into Pak Rupees at the rates of exchange prevailing on the reporting date. Exchange differences, if any, are included in income and expenditure account.

**4.14 Cash and cash equivalents**

Cash and cash equivalents comprise cash in hand, balances with banks and other short term highly liquid investments with original maturities of three months or less.

**4.15 Transfer to general fund**

The Foundation transfers deficit / surplus of income over expenditure to general fund in the year in which it is approved.

**4.16 Restricted Funds**

These are funds which are not to be used in the current year for meeting operating expenses.

**5. PROPERTY AND EQUIPMENT**

| | | 2012 | 2011 |
|---|---|---|---|
| | | (Rupees in '000) | |
| Operating fixed assets | 5.1 | 2,713,047 | 2,341,656 |
| Capital work in progress | 5.3 | 235,275 | 275,905 |
| Advance for construction | | 11,781 | 6,883 |
| Advance against purchase of operating fixed assets | | 15,759 | 6,610 |
| | | 2,975,862 | 2,631,054 |

## 5.1 Operating fixed assets

2012

| | School land | | Building on | | Furniture | Vehicles | Electrical | Office & | Total |
|---|---|---|---|---|---|---|---|---|---|
| | lease hold | freehold | leasehold land | freehold land | and fittings | | equipment | other equipments | |
| | (Rupees in '000) | | | | | | | | |
| **At 1 July 2011** | | | | | | | | | |
| Cost | 6,410 | 140,899 | 5,528 | 2,450,639 | 190,396 | 341,234 | 5,460 | 45,729 | 3,186,295 |
| Accumulated depreciation | - | - | (3,040) | (523,065) | (85,006) | (201,474) | (2,615) | (29,439) | (844,639) |
| Net book value | 6,410 | 140,899 | 2,488 | 1,927,574 | 105,390 | 139,760 | 2,845 | 16,290 | 2,341,656 |
| Additions / transfers from capital work in progress | 1,250 | 3,604 | 77,550 | 359,649 | 30,897 | 102,752 | 8,514 | 8,138 | 592,354 |
| Disposals | | | | | | | | | |
| Cost | - | - | - | - | 1,780 | 38,974 | - | 3 | 40,757 |
| Accumulated depreciation | - | - | - | - | (973) | (38,856) | - | (3) | (39,832) |
| | - | - | - | - | 807 | 118 | - | - | 925 |
| Depreciation for the year | - | - | (2,450) | (135,071) | (19,048) | (55,006) | (1,766) | (6,694) | (220,035) |
| Closing net book value | 7,660 | 144,503 | 77,588 | 2,152,152 | 116,432 | 187,388 | 9,593 | 17,731 | 2,713,047 |
| **At 30 June 2012** | | | | | | | | | |
| Cost | 7,660 | 144,503 | 83,078 | 2,810,288 | 219,513 | 405,012 | 13,974 | 53,864 | 3,737,892 |
| Accumulated depreciation | - | - | (5,490) | (658,136) | (103,081) | (217,624) | (4,381) | (36,133) | (1,024,845) |
| Net book value | 7,660 | 144,503 | 77,588 | 2,152,152 | 116,432 | 187,388 | 9,593 | 17,731 | 2,713,047 |
| **Depreciation rates (% per annum)** | - | - | 5 | 5 | 10 | 20 | 15 | 20 | |

| | School land | | Building on | | Furniture | Vehicles | Electrical | Office & | Total |
|---|---|---|---|---|---|---|---|---|---|
| | lease hold | freehold | leasehold land | freehold land | and fittings | | equipment | other equipments | |
| | (Rupees in '000) | | | | | | | | |
| **At 1 July 2010** | | | | | | | | | |
| Cost | 6,410 | 140,491 | 5,528 | 2,311,691 | 174,394 | 299,725 | 4,258 | 36,745 | 2,979,242 |
| Accumulated depreciation | - | - | (2,672) | (403,933) | (68,323) | (189,064) | (1,888) | (23,445) | (689,325) |
| Net book value | 6,410 | 140,491 | 2,856 | 1,907,758 | 106,071 | 110,661 | 2,370 | 13,300 | 2,289,917 |
| Additions / transfers from capital work in progress | - | 408 | - | 138,948 | 16,165 | 81,500 | 1,202 | 9,155 | 247,378 |
| Disposals | | | | | | | | | |
| Cost | - | - | - | - | 163 | 39,991 | - | 171 | 40,325 |
| Accumulated depreciation | - | - | - | - | (127) | (39,437) | - | (37) | (39,601) |
| | - | - | - | - | 36 | 554 | - | 134 | 724 |
| Depreciation for the year | - | - | (368) | (119,132) | (16,810) | (51,847) | (727) | (6,031) | (194,915) |
| Closing net book value | 6,410 | 140,899 | 2,488 | 1,927,574 | 105,390 | 139,760 | 2,845 | 16,290 | 2,341,656 |
| **At 30 June 2011** | | | | | | | | | |
| Cost | 6,410 | 140,899 | 5,528 | 2,450,639 | 190,396 | 341,234 | 5,460 | 45,729 | 3,186,295 |
| Accumulated depreciation | - | - | (3,040) | (523,065) | (85,006) | (201,474) | (2,615) | (29,439) | (844,639) |
| Net book value | 6,410 | 140,899 | 2,488 | 1,927,574 | 105,390 | 139,760 | 2,845 | 16,290 | 2,341,656 |
| **Depreciation rates (% per annum)** | - | - | 5 | 5 | 10 | 20 | 15 | 20 | |

**5.1.1** Leased hold land includes land acquired by the Foundation as well as received as donations. The donated plots of land are stated at nominal value. Title of certain donated land is still in process of being transferred in the name of Foundation.

**5.1.2** Five school buildings which were constructed prior to the incorporation of the Foundation were donated at an estimated cost of Rs. 2 million each.

| | | | 2012 | 2011 |
|---|---|---|---|---|
| | | | (Rupees in '000) | |
| **5.1.3** | Book value of building on leased hold land includes: | | | |
| | School Building | | 2,213 | 2,488 |
| | Head Office Building | | 75,375 | - |
| | | | 77,588 | 2,488 |
| | The Head Office building is constructed with the endowment fund as fully explained in note 13. | | | |
| **5.2** | Depreciation expense has been allocated as follows: | | | |
| | Education programme | | 209,033 | 185,169 |
| | Programme administration | | 11,002 | 9,746 |
| | | | 220,035 | 194,915 |
| **5.3** | **Capital work in progress** | | | |
| | Balance as at 1 July | | 275,905 | 88,991 |
| | Expenditure incurred during the year | | 409,558 | 325,862 |
| | | | 685,463 | 414,853 |
| | ***Transferred during the year to:*** | | | |
| | School buildings | | (359,650) | (138,948) |
| | Office building | | (77,549) | - |
| | Electrical equipments | | (5,864) | - |
| | Furniture & fixture | | (7,125) | - |
| | Balance as at 30 June | | 235,275 | 275,905 |
| | This represents civil works and related cost for the construction of schools and head office building. | | | |
| **6.** | **INTANGIBLE ASSETS** | | | |
| | Software | *6.1* | 3,057 | 2,065 |
| | Advance against purchase of Software | | 2,914 | 2,197 |
| | | | 5,971 | 4,262 |
| **6.1** | **Software** | | | |
| | *Net carrying value basis* | | | |
| | Opening net book value (NBV) | | 2,065 | 654 |
| | Additions (at cost) | | 1,863 | 1,878 |
| | Amortization charge | | (871) | (467) |
| | Closing net book value | | 3,057 | 2,065 |
| | *Gross carrying value* | | | |
| | Cost | | 3,593 | 1,715 |
| | Additions (at cost) | | 1,863 | 1,878 |
| | Accumulated amortisation | | (2,399) | (1,528) |
| | Net book value | | 3,057 | 2,065 |

Intangible asset represents software purchase cost which is amortized over the period of five years on straight line basis from the date of its initial recognition.

## 7. LONG TERM INVESTMENTS

| | | 2012 | 2011 |
|---|---|---|---|
| | | (Rupees in '000) | |
| ***Held to maturity*** | | | |
| *Term Finance Certificates* | | | |
| United Bank Limited - Tranche III | *7.1* | 8,317 | 9,982 |
| Askari Bank Limited | *7.2* | 10,248 | 10,252 |
| NIB Bank Limited | *7.3* | 4,992 | 4,994 |
| United Bank Limited - Tranche II | | - | 9,998 |
| Pakistan Mobile Communication Limited-Tranche II | | - | 13,245 |
| | | 23,557 | 48,471 |
| ***Available for sale*** | | | |
| *Certificates of closed end funds* | | | |
| JS Value Fund | | 380 | 283 |
| Atlas Fund of Funds | | 17,798 | 4,580 |
| Meezan Balanced Fund | | 6,237 | 5,659 |
| JS Growth Fund | | 688 | 549 |
| PICIC Energy Fund | | 17,251 | 11,212 |
| PICIC Growth Fund | | 30,758 | 13,399 |
| PICIC Investment Fund | | 12,413 | 6,071 |
| | | 85,525 | 41,753 |
| *Units of open end funds* | | | |
| JS Large Capital Fund - Class B | | 3,381 | 2,871 |
| Pakistan Strategic Allocation Fund | | - | 7,903 |
| AKD Income Fund (Growth Units) | | - | 573 |
| | | 3,381 | 11,347 |
| | | 112,463 | 101,571 |

**7.1** This represents investment in 8 years term finance certificate and carry profit at the rate of 1.70% per annum plus 6 months KIBOR and will mature on 8 September 2014. Fair value of the TFC as at 30 June 2012 amounted to Rs. 8.26 million (2011: Rs.10.106 million) determined using rates notified by Mutual Funds Association of Pakistan (MUFAP).

**7.2** This represents investment in 8 years term finance certificate and carry profit at the rate of 1.5% per annum plus 6 months KIBOR and will mature on 31 October 2013. Fair value of the TFC as at 30 June 2012 amounted to Rs. 10.278 million (2011: Rs.10.376 million) determined using rates notified by Mutual Funds Association of Pakistan (MUFAP).

**7.3** This represents investment in 7 years term finance certificate and carry profit at the rate of 1.15% per annum plus 6 months KIBOR and will mature on 05 March 2016. Fair value of the TFC as at 30 June 2012 amounted to Rs. 4.97 million (2011: Rs.4.814 million) determined using rates notified by Mutual Funds Association of Pakistan (MUFAP).

**7.4** This represents restricted funds which are not to be used in the current year for meeting operating expenses.

## 8. ADVANCES AND PREPAYMENTS

| | 2012 | 2011 |
|---|---|---|
| Advances to staff for expenses - considered good | 52,907 | 28,708 |
| Advances to suppliers - considered good | 2,071 | 11,910 |
| Prepaid expenses | 1,119 | 1,319 |
| | 56,097 | 41,937 |

## 9. ACCRUED INCOME AND OTHER RECEIVABLES

| | 2012 | 2011 |
|---|---|---|
| | (Rupees in '000) | |
| Accrued income on investments | | |
| - term finance certificates | 1,152 | 1,461 |
| - term deposit receipts | 332 | 4,910 |
| - treasury bills | 7,792 | 12 |
| | 9,276 | 6,383 |
| Tax deducted at source | 206 | 112 |
| Other receivables | 114 | 1,447 |
| | 9,596 | 7,942 |

## 10. SHORT TERM INVESTMENTS

| | | 2012 | 2011 |
|---|---|---|---|
| | | (Rupees in '000) | |
| ***Held to maturity*** | | | |
| *Term deposit receipts* | | | |
| Local currency | | | |
| Askari Bank Limited | | 15,000 | 50,000 |
| Faysal Bank Limited | | 15,000 | - |
| NIB Bank Limited | | 96,000 | 65,000 |
| | *10.1* | 126,000 | 115,000 |
| Foreign currency | | | |
| Bank Al-Habib Limited | | 97,290 | - |
| NIB Bank Limited | | 57,036 | 10,018 |
| | *10.2* | 154,326 | 10,018 |
| *Term Finance Certificates* | | | |
| United Bank Limited - Tranche II | *10.3* | 9,997 | - |
| Pakistan Mobile Communication Limited-Tranche II | *10.4* | 6,623 | - |
| | | 16,620 | - |
| *Treasury Bills* | | | |
| State Bank of Pakistan | *10.5* | 419,432 | 412,803 |
| ***Available for sale*** | | | |
| *Money Market Funds* | | | |
| Atlas Money Market Fund | | 24,951 | - |
| Meezan Sovereign Fund | *10.6* | 26,015 | - |
| HBL Money Market Fund | | 30,235 | - |
| PICIC Cash Fund | | 998 | - |
| | | 82,199 | - |
| Other investments | | - | 9 |
| | | 798,577 | 537,830 |

**10.1** This represents investment in PKR Term Deposit Receipts. The maturities range from 05 July 2012 to 29 July 2012 and carrying profit rates ranging from 10.10% to 11% (2011: 11.75%) per annum.

**10.2** This includes Term Deposit Receipts in

- US Dollar 1,385,000 having maturities upto 1 September 2012 and carrying markup ranging from 1.25% to 1.6% (2011: Nil) per annum.

- GBP100,000 having maturity on 1 July 2012 and carrying markup of 1% (2011: Nil) per annum.
- Euro 80,000 having maturity on 22 July 2012 and carrying markup of 1.25% (2011: 0.91%) per annum.

**10.3** This represents investment in 8 years term finance certificate and carry profit at the rate of 9.49% per annum and will mature on 15 March 2013. It is classified under short term investment due to its maturity within one year. Fair value of the TFC as at 30 June 2012 amounted to Rs. 9.502 million (2011: Rs. 9.097 million) determined using rates notified by Mutual Funds Association of Pakistan (MUFAP).

**10.4** This represents investment in 7 years term finance certificate and carry profit at the rate of 2.85% per annum plus 6 months KIBOR and will mature on 31 May 2013. It is classified under short term investment due to its maturity within one year. Fair value of the TFC as at 30 June 2012 amounted to Rs. 6.7 million (2011: Rs.13.192 million) determined using rates notified by Mutual Funds Association of Pakistan (MUFAP).

**10.5** This represents investments in Treasury Bills having maturities ranging from 12 July 2012 to 20 September 2012 and carrying profit rates ranging from 11.87% to 11.92% (2011: 13% to 13.65%) per annum. This includes investments amounting to Rs.83.55 million related to endowment fund.

**10.6** This includes investments amounting to Rs 24.97 million related to endowment fund.

## 11. CASH AND BANK BALANCES

| | | 2012 | 2011 |
|---|---|---|---|
| | | (Rupees in '000) | |
| Cash in hand | | 100 | 100 |
| Cash at bank: | | | |
| - current account | *11.1* | 17,421 | 52,287 |
| - deposit account | *11.2* | 50,525 | 121,753 |
| | | 67,946 | 174,040 |
| | | 68,046 | 174,140 |

**11.1** This includes foreign currency Rs. 16.51 million (June 2011:Rs. 40.41 million).

**11.2** This includes foreign currency Rs. 3.49 million (June 2011:Rs. 25.31 million). Profit rate on deposit accounts is 0.25% (2011 : 1.25%) per annum in foreign currency and 5% to 9.5% (2011 : 6 to 9%) per annum in local currency.

## 12. CAPITAL FUND

This represents contribution by the members when they have joined the Foundation.

## 13. ENDOWMENT FUND

This represents contribution received from the donors with the stipulation of principal amount to be kept intact while the income earned on related investments could be used for specific or general purpose.

This includes an amount of Rs. 75.68 million received from a donor for the purpose of construction of Head Office building of the Foundation with the stipulation that the amount of the endowment fund is to be kept intact and an amount equivalent to the annual rent to be credited to the endowment fund on annual basis. The annual rent will be mutually decided between the donor and the management which however, will not exceed the annual rent prevailing in the adjacent area of the Head Office building and will be appropriated from the General Fund to the endowment fund by the Board of Directors. Further, in order to keep the endowment fund intact investments equivalent to the annual depreciation of the building will be earmarked annually as restricted investments representing the endowment fund.

## 14. DEFERRED INCOME RELATING TO OPERATING FIXED ASSETS

| | | |
|---|---|---|
| Opening balance | 2,130,185 | 1,805,064 |
| Donations received during the year | 510,013 | 385,869 |
| Amortization for the year | (65,110) | (60,748) |
| | 2,575,088 | 2,130,185 |

| 15. | DEFERRED INCOME RELATING TO SCHOOL SUPPORT AND CHILDREN EDUCATION | | 2012 | 2011 |
|---|---|---|---|---|
| | | | (Rupees in '000) | |
| | Opening balance | | 360,535 | 130,368 |
| | Donations received during the year | *15.1* | 196,452 | 302,448 |
| | Amortization for the year | | (234,137) | (72,281) |
| | | *15.2* | 322,850 | 360,535 |

**15.1** This includes past years' unused accumulated earthquake donations of Rs. 29.79 million transferred from General Fund to current year support donations to meet expenses of schools in earthquake areas.

**15.2** This includes an amount of Rs. 146.09 million representing sustainability fund to meet cash short fall in the operational support of the schools in future. It is currently invested in short term investments as stated in note 7 to these financial statements.

| 16. | ACCRUED EXPENSES AND OTHER LIABILITIES | | | |
|---|---|---|---|---|
| | Accrued expenses | | 64,330 | 43,216 |
| | Security deposit | *16.1* | 21,634 | 20,065 |
| | Retention money | | 20,023 | 13,305 |
| | Scholarship | | 19,487 | 13,814 |
| | Provision for compensated absences | | 10,447 | 9,773 |
| | School water project | | 10,886 | - |
| | Other liabilities | | 1,756 | 982 |
| | | | 148,563 | 101,155 |

**16.1** This represents deposits obtained mainly from teachers in order to discourage them from leaving the Foundation without notice and is refunded to them at the time of leaving the Foundation. The security deposit is kept in a separate bank account as per the requirement of section 226 of the Companies Ordinance, 1984.

## 17. CONTINGENCIES AND COMMITMENTS

***Contingent liabilities***

In June 2003, the Foundation received an advice from Sindh Employeesí Social Security Institution (SESSI) vide letter No. SS/CD/Cont/4/3589 dated 1 June 2003 stating that the Foundation is liable to pay social security contribution in respect of all employees w.e.f. 8 February 2003 under Social Security Scheme, vide Sindh Government Gazette Notification No. L-II-5-9/2002 dated 8 February 2003. Consequently a notice was received by the Foundation from Assistant Collector (Grade-I) demanding a payment of Rs. 484,500 as arrears of social contribution for the period from May 2003 to September 2003. The Foundation filed a petition with Honourable Bench of Sindh High Court challenging SESSI's application of Social Security Scheme on Educational Units. The Division Bench of Sindh High Court on 25 April 2008 adjudicated the case against the Foundation on the ground that the services of the employees should be secured in case of sickness, maternity, employment injury or death and for matters ancillary thereto. The Foundation filed an appeal with the Supreme Court against Sindh High Court's dismissal of the Foundation petition which was admitted by the Supreme Court on 26 September 2008. On 16 June 2010, the Honourable Supreme Court of Pakistan has up held the decision of Division Bench of Sindh High Court and has dismissed the petition. The Foundation has filed a review petition against the Judgement on 4 November 2010 with the Honourable Supreme Court of Pakistan. Further, the SESSI vide letter SS/CD/Cont/4/2011-3329 dated 2 February 2011 demanded payment of Rs. 35.473 million including an increase amounting to Rs. 11.824 million pertaining to the period from March 2003 to June 2010. The management has filed an appeal against the increase with the Commissioner of SESSI. However, the management has recognised a provision of Rs. 35.473 million against the alleged demand. Currently the management is awaiting for judgment on review petition filed with the Honourable Supreme Court of Pakistan and an appeal pending with Commissioner SESSI.

Similar notification was received from Punjab Employees' Social Security Institution (PESSI) demanding a payment of Rs. 86,988 being social security contribution for the period from November 2002 to November 2007 in view of sub-section (3) of section-I of the Provincial Employees Social Security Ordinance 1965 ('the Ordinance'). The Foundation has filed a complaint against this notification under section 57 of Social Security Ordinance, 1965 on 10 May 2008. However, Director General (Recovery) PESSI has dismissed this complaint on 29 December 2011.Provision of Rs.86,988 has been made in this respect.

***Commitments***

Commitment in respect of capital expenditure amounts to Rs. 137.55 million (30 June 2011: Rs. 62.1 million).

## 18. DONATIONS

| | | 2012 | 2011 |
|---|---|---|---|
| | | (Rupees in '000) | |
| Donations received during the year | *18.1* | 821,143 | 767,433 |
| Amortized - donations related to assets | | 65,110 | 60,748 |
| Amortized - donations related to school support and children education | | 234,137 | 72,281 |
| | | 1,120,390 | 900,462 |

**18.1** This includes Zakat collected and spent during the period amounting to Rs. 101.99 million (2011: Rs. 80.25 million).

## 19. SUBSIDIES TO TCF SCHOOLS

Individual items of receipts and expenditure pertaining to schools are not incorporated in these financial statements. However, net deficit of schools is reimbursed by the Foundation and is shown as "Subsidies to TCF Schools".

## 20. OTHER SCHOOL EXPENSES

| | | |
|---|---|---|
| Schools - medical & general insurance | 10,191 | 9,476 |
| Ceremony functions and awards | 5,832 | 4,761 |
| Freight charges - furniture & equipments | 2,906 | 806 |
| Consultancy expenses | 2,585 | 980 |
| Student activities | 2,344 | 1,379 |
| Other school expenses | 1,076 | 1,156 |
| | 24,934 | 18,559 |

## 21. SALARIES AND OTHER BENEFITS

### 21.1 Remuneration of Chief Executive Officer and Executives

| | Chief Executive Officer | | Executives | |
|---|---|---|---|---|
| | 2012 | 2011 | 2012 | 2011 |
| | (Rupees in '000) | | | |
| Remuneration | 5,822 | 4,973 | 41,782 | 28,447 |
| Number of person | 1 | 1 | 29 | 18 |

**21.2** The Chief Executive Officer , Vice Presidents and HODs are provided with free use of Foundation maintained car.

## 22 OTHER EXPENSES

| | | | |
|---|---|---|---|
| Office expenses | | 1,448 | 794 |
| Repairs and maintenance | | 930 | 668 |
| Amortisation of intangible asset | *6.1* | 871 | 467 |
| Bank charges | | 813 | 634 |
| Professional charges | | 646 | 647 |
| Advertisement | | 630 | 782 |
| Insurance | | 465 | 421 |
| Auditors' remuneration | | 176 | 137 |
| Fee and subscriptions | | 97 | 51 |
| | | 6,076 | 4,601 |

| 23. CASH GENERATED FROM OPERATIONS | | 2012 | 2011 |
|---|---|---|---|
| | | (Rupees in '000) | |
| Surplus / (deficit) of income over expenditure | | 57,617 | (625) |
| Adjustments for non cash charges and other items: | | | |
| Depreciation | | 220,035 | 194,915 |
| Capital gain on disposal of Investments | | (7,554) | - |
| Amortisation of intangible asset | | 871 | 467 |
| Amortisation of deferred income | | (299,247) | (133,029) |
| Income on investments | | (61,197) | (21,461) |
| Other long term investments | | - | (9) |
| Gain on sale of fixed assets | | (35,644) | (32,035) |
| Working capital changes | *23.1* | 34,487 | 38,627 |
| | | (90,632) | 46,850 |

| 23.1 Working capital changes | | |
|---|---|---|
| *Decrease / (increase) in current assets* | | |
| Advances, deposits and prepayments | (14,160) | (15,944) |
| Accrued income and other receivables | 1,239 | (1,014) |
| | (12,921) | (16,958) |
| *Increase in current liabilities* | | |
| Accrued expenses and other liabilities | 47,408 | 55,585 |
| | 34,487 | 38,627 |

## 24. RELATED PARTY TRANSACTIONS

Related parties include associated undertakings having common directors and key management personnel.

Details of transactions with related parties other than those disclosed else where in the financial statements are as follows:

### 24.1 Donation / service received from related parties

Artherton & Imrooz (Private) Limited, in which Mr. Ateed Riaz (Director of the Foundation) is also a director, has donated Rs. 0.008 million (2011: Rs. 0.211 million) during the year.

Ashraf Riaz (Private) Limited, in which Mr. Ateed Riaz (Director of the Foundation) is also a director, has donated Rs. 0.209 million (2011: Rs. 0.025 million) during the year.

Crescent Steel and Allied Products Limited, in which Mr. Ahsan Saleem (Director of the Foundation) is also a director, has donated Rs. 16.01 million (2011: Rs. 22.386 million) during the year.

Searle Pakistan (Private) Limited, in which Mr. Rashid Abdulla (Director of the Foundation) is also a director, has donated Rs. 5.6 million (2011: Rs. Nil) during the year.

Tarseel (Private) Limited, in which Mr. Ateed Riaz (Director of the Foundation) is also a director, has donated Rs. 0.246 million (2011: Rs. 1.129 million) during the year.

### 24.2 Donations from members

| | | |
|---|---|---|
| Ahsan Saleem | 2,800 | 2,366 |
| Ateed Riaz | 1,034 | 16 |
| Bushra Tayyab Afzal | 6 | - |
| Ishaque Noor | 235 | - |
| Mushtaq Chhapra | 398 | 50 |
| Nilofer Saeed | 498 | 236 |
| Rashid Abdulla | 1,400 | 2,690 |
| Shahid Abdulla | 200 | - |

### 24.3 Key management remuneration / compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Foundation. The Foundation considers Chief Executive Officer, Chief Financial Officer and Vice Presidents as its key management personnel. The remuneration/compensation paid or payable to key management for employee service amounts to Rs. 20.029 million (2011: Rs. 16.79 million) during the year. Key management personnel also donated to the Foundation from their salaries an amount of Rs. 1.034 million (2011: Rs. 0.335 million) during the year. There are no transactions with the key management personnel other than under their terms of employments / entitlements.

## 25. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

The Board of Directors of the Foundation has overall responsibility for the establishment and oversight of the Foundation's risk management framework. The Board is also responsible for developing and monitoring the Foundation's risk management policies.

The Foundation's activities expose it to a variety of financial risks such as:

- Market risk
- Credit risk and
- Liquidity risk

### 25.1 Market risk

Market risk is the risk that changes in market price, such as foreign exchange rates, interest rates and equity prices will effect the foundation's income or the value of its holdings of financial instruments.

The Foundation manages market risk by monitoring exposure in marketable securities by following the investments guidelines approved by the Executive Committee (EC) and Board of Directors (BOD). The Investment Committee is responsible for making investment decisions.

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

*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 where receivables and payables exist due to transactions with foreign supporter or volunteer. At reporting date, the Foundation hold foreign currency bank accounts including Term Deposit Receipts maintained with financial institutions, amounting to Rs. 174.339 million (2011: Rs. 10 million) in aggregate that exposes the Foundation to currency risk.

The currencies in which these bank accounts are denominated are Euro (EUR) Pound Sterling (GBP), United States Dollar (USD), Swiss Franc (CHF), United Arab Emirates Dirham (AED).

The following exchange rates were applied during the year:

| | Average rate | | Reporting date Spot rate | |
|---|---|---|---|---|
| | 2012 | 2011 | 2012 | 2011 |
| EUR to PKR | 119.81 | 117.29 | 118.25 | 124.60 |
| GBP to PKR | 141.89 | 135.62 | 146.76 | 138.30 |
| USD to PKR | 89.44 | 85.50 | 94.00 | 85.85 |
| CHF to PKR | 99.74 | 90.12 | 98.41 | 103.35 |
| AED to PKR | 24.32 | 23.28 | 25.59 | 23.37 |

*Sensitivity Analysis*

At reporting date if PKR strengthened / weakened by 10% against respective foreign currencies with all other variably held constant, surplus of income over expenditure for the year would have been higher / lower by Rs. 2.001 million (2011 : Rs.6.567 million) with corresponding effect on respective foreign currency denominated assets. This mainly arise as a result of translation of respective foreign currency denominated assets.

The sensitivity analysis is not necessarily an indication of the effect on surplus of income over expenditure for the year.

*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.

At the reporting date the interest rate profile of the Foundation's significant interest bearing financial instruments was as follows:

| | Effective interest rate | | Carrying amount | |
|---|---|---|---|---|
| | 2012 | 2011 | 2012 | 2011 |
| **Financial assets** | (in Percent) | | (Rupees in '000) | |
| ***Fixed rate instruments*** | | | | |
| Term Finance Certificates | 9.49 | 9.49 | 9,997 | 9,998 |
| ***Variable rate instruments*** | | | | |
| Term Finance Certificates | 13.08-14.85 | 14.91-16.59 | 30,180 | 38,474 |

**Fair value sensitivity analysis for fixed rate instruments**

The Foundation does not account for any fixed rate financial assets and liabilities at fair value through profit and loss. Therefore, any change in interest rates at the reporting date would not affect income and expenditure account.

**Cash flow sensitivity analysis for variable rate instruments**

A change of 100 basis points in interest rates at the reporting date would have increased / (decreased) the surplus of income over expenditure by Rs. 927,879 (2011 : Rs. 384,738).

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

*Other price risk*

Other price risk includes equity price risks which is the risk of changes in the fair value of equity securities as a result of changes in the value of individual certificates of Closed End Fund and shares of quoted companies. The equity price risk exposure arises from investments in equity securities held by the Foundation for which prices in the future are uncertain.

A 10% increase / decrease in redemption and share prices at year end would have increased / decreased the Foundation's other comprehensive income, surplus on re-measurement of investments classified as 'available for sale' and the value of investments by Rs. 8,855,556 (2011: Rs. 4,175,272). The sensitivity analysis prepared is not necessarily indicative of the effects on other comprehensive income, funds and assets of the Foundation.

**25.2 Credit risk**

Credit risk arises from the inability of the issuers of the instruments, the relevant financial institutions or other counter parties to fulfill their obligations resulting in financial loss to the Foundation. The credit risk of the Foundation mainly arises from its investments in debt securities representing failure of the investee companies in repayment of principle and / or the interest due on such investments. The Foundation is also exposed to counterparty credit risk on bank balances, investment in units of open end mutual fund, long term deposits, accrued income and other receivable balances.

*Credit risk management*

The Foundation assesses all counterparties for credit risk before contracting with them. It is the Foundation policy to enter into financial contracts with reputable and creditworthy counterparties. Credit risk relating to unsettled transactions in securities is considered to be minimal as the Foundation uses brokers with high creditworthiness and the transactions are settled or paid for only upon delivery.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date is:

| | 2012 | 2011 |
|---|---|---|
| | (Rupees in '000) | |
| Long term investments | 112,463 | 101,571 |
| Long term deposits | 8,753 | 2,482 |
| Accrued income and other receivables | 9,596 | 7,830 |
| Short term investments | 798,577 | 537,830 |
| Bank balances | 68,046 | 174,040 |
| | 997,435 | 823,753 |

None of the above financial assets were considered to be past due or impaired in 2012 and 2011.

*Investment in debt securities*

At reporting date the Foundation has invested in term finance certificates, units of open end mutual funds, term deposit receipts and treasury bills. The Foundation manages credit risk arising from term finance certificates and term deposit receipt by making investments in financial institutions or counter party having sound credit rating. With respect to units of open end mutual funds the management manages credit risk by investing in Funds having good performance record.

The analysis below summarises the credit quality of the Foundation's investment in Term Finance Certificates and Open End Mutual Fund Units.

**Debt Securities (term finance certificates) by rating category**

| | | |
|---|---|---|
| AA | 41.22% | 41.22% |
| AA- | 21.15% | 21.15% |
| A+ | 37.63% | 37.63% |

**Rating of Open End Mutual Fund Units**

| | | |
|---|---|---|
| - JS Large Capital Fund | **Non rated** | Non rated |

The management believes that investment in treasury bills does not expose the Foundation to credit risk as the counterparty to the instrument is Government of Pakistan.

*Bank balances*

The Foundation kept surplus liquidity with banks having credit rating from A- to AAA. The rating of the banks is monitored by the management.

*Long term deposits*

The Foundation has deposited various amounts as security to suppliers against provisioning of different services. The management does not expect to incur material losses on such deposits and consider such amount is receivable upon termination of service contract from respective suppliers.

*Concentration of credit risk*

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Fund's portfolio of financial instruments is broadly diversified and transactions are entered into with diverse credit-worthy counterparties thereby mitigating any significant concentrations of credit risk.

**25.3 Liquidity risk**

Liquidity risk is the risk that the Foundation will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Foundation's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, without incurring losses or risking damage to the Foundation's reputation.

The following are the contractual maturities of the non interest bearing financial liabilities:

| | 2012 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Carrying amount | Contractual cash flows | Six months or less | Six to twelve months | One to two years | Two to five years | After five years |
| | (Rupees in '000) | | | | | | |
| **Financial liabilities** | | | | | | | |
| Accrued and other liabilities | **148,563** | **148,563** | **39,950** | **108,613** | **-** | **-** | **-** |

| | 2011 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Carrying amount | Contractual cash flows | Six months or less | Six to twelve months | One to two years | Two to five years | After five years |
| | (Rupees in '000) | | | | | | |
| Financial liabilities | | | | | | | |
| Accrued and other liabilities | 101,155 | 101,155 | 44,142 | 57,013 | - | - | - |

**25.4 Fair value of financial instruments**

The carrying values of the financial assets and financial liabilities approximate their fair values. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

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

- Level 1: Quoted market price (unadjusted) in an active market for an identical instrument
- Level 2: Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Valuation techniques using significant unobservable inputs.

Investments in certificates of closed end funds, gifted equity securities and units of open end funds are measured using quoted prices in stock exchange / redemption amount of units of open end fund, hence, fair value of such investments fall within Level 1 in fair value hierarchy mentioned above.

**25.5 Fund management**

The Foundation is funded by contributions received from its members and donors from different sections of society within and outside Pakistan.

The Foundation is a company limited by guarantee having no share capital and is not exposed to any externally imposed capital requirements.

**26. GENERAL**

**26.1 Non-adjusting event**

The Board of Directors in their meeting held on 31 July, 2012 has decided to transfer Rs.9 million from the General Fund to the Endowment Fund. These financial statements for the year ended on 30 June, 2012 do not include the effect of this appropriation which will be accounted for subsequent to the year-end.

**26.2 Date of authorisation**

These financial statements were authorised for issue in the Board of Directors meeting held on 31 July, 2012.

CHIEF EXCEUTIVE OFFICER

DIRECTOR

THE CITIZENS FOUNDATION

# NOTICE OF 16TH ANNUAL GENERAL MEETING OF MEMBERS

Notice is hereby given to all the members of **The Citizens Foundation** that **16th Annual General Meeting** of the Foundation will be held on **Thursday September 27, 2012 at 3:00 P.M.** at Registered office, Plot No 20, Sector 14, Korangi Industrial Area, Karachi-749000.

**AGENDA**

1. To receive, consider and adopt the Audited Financial Statements of the Foundation for the year ended June 30, 2012 together with auditors' report thereon.

2. To adopt the Chairmanís Review and Directorsí Report for the year ended June 30, 2012.

3. To appoint Company Auditors for the next Financial Year ending on June 30, 2013 and fix their remuneration. M/s. KPMG Taseer Hadi & Co. Chartered Accountants, retired and being eligible, offer themselves for reappointment.

By order of the Board

Muhammad Amin
Company Secretary

Date: September 01, 2012

Place: Karachi

THE CITIZENS FOUNDATION

# Form of Proxy
# Annual General Meeting

I/We _____ , being member(s) of The Citizens Foundation do hereby appoint _____ of _____ or failing him/her _____ of _____ as my/ our proxy to attend, speak and vote for me/us and on my/our behalf at the **16th Annual General Meeting** of The Citizens Foundation sheduled to be held on **Thursday September 27, 2012 at 3.00 p.m.**, at Companyís Registered Office. **Plot No.20, Sector-14, Korangi Industrial Area, Karachi** and at any adjournment thereof.

**Witnesses:**

| | | | | |
|---|---|---|---|---|
| 1. | Name | : | | SIGNATURE OF MEMBER<br>Please affix here Revenue Stamps of Rs. 5/- |
| | N.I.C | : | | |
| | Address | : | | |
| | | | Karachi | |
| 2. | Name | : | | |
| | N.I.C | : | | |
| | Address | : | | |
| | | | Karachi | |

**Date :** _____

**Note:**

1. A member entitled to attend and vote at a General Meeting is entitled to appoint a proxy.
2. The instrument appointing a Proxy, together with the Power of Attorney, if any, under which it is signed or a notarially certified copy thereof, should be deposited at the Registered Office, Plot No.20, Sector-14, Korangi Industrial Area not less than 48 hours before the time of holding the Meeting.
3. The proxy form shall be witnessed by two persons whose names, addresses and NIC numbers shall be mentioned on the form.
4. The proxy shall produce his/her original NIC or original passport at the time of the meeting.



# Join The Citizens Foundation

# TCF Contact Information

| | |
|---|---|
| **Head Office** | Neelam Habib. Plot No. 20, Sector - 14, Near Brookes Chowrangi, Korangi Industrial Zone, Karachi, Pakistan. Telephone: (92-21) 111-823-823 Fax: (92-21) 35113460 |

## Regional Offices

| | |
|---|---|
| **Karachi** | Brig. (R ) Tariq Ali Khan. Plot No. 20, Sector - 14, Near Brookes Chowrangi, Korangi Industrial Zone, Karachi. Telephone: (92-21) 111-823-823 Fax: (92-21) 35113460 |
| **Lahore** | Brig. (R ) Sohail Saleem. 122 - C, Model Town, Lahore. Telephone: (92-42) 111-823-823 Fax: (92-42) 5881368 |
| **Islamabad/ Rawalpindi** | Brig. (R) Iftikhar Ahmed. Regional Office (NW) Service Road Gangal West, Rawalpindi. Telephone: (92-51) 4578228 & 4578229 Fax: (92-51) 5881368 |

## Supporters' Chapters in Pakistan & Abroad

| | |
|---|---|
| **STCF Karachi** | Plot No. 20, Sector - 14, Near Brookes Chowrangi, Korangi Industrial Zone. Telephone: (92-21) 111-823-823 Fax: (92-21) 35113460 |
| **STCF Islamabad** | Asma Khan. House No.3, Street 5, F-6/3. Telephone: (92-51) 2279862<br>Samina Aziz. House No. 14-B, Street 62, F-7/4. Telephone: (92-51) 2273873 |
| **STCF Peshawer** | Lubna Farooq. 107-A, Industrial Estate, Hayatabad, Peshawar |
| **STCF Faisalabad** | Nageen Faiq. Telephone (92-333) 6638008 Fax: (92-41) 8714438 |

## International Chapters

| | |
|---|---|
| **Abu Dhabi** | Shahab Haider. Telephone (00-971-4) 2222126 |
| **Dubai** | Komal Shakil. Office No. 118, Building No.4, International Humanitarian City, Dubai Industrial City Headquarters, P.O.Box No. 506007, Dubai, UAE<br>Telephone +971-4-3681096 Fax +971-4-3681097 |
| **Bahrain** | Ali Mirza. Villa 39, Building 221, Miami Park, Avenue 35, Al Janabiah 571, Bahrain<br>Telephone +973-39-955182 |
| **United Kingdom** | Hina Suleman, Amina Salahuddin.<br>The Citizens Foundation (UK), Grove House 2 Orange Street, London WC2H 7DF<br>Telephone +44 (0) 20 3585 3011/12 Fax +44 (0) 20 7183 7085 |
| **United Kingdom, Trustees** | Tariq Hussain. Telephone +44-0-776-7383499<br>Imtiaz Dossa. Telephone +44-0-780-2259666<br>Bilal Raja. Telephone +44-0-787-9465437 |
| **United States of America** | Danial Noorani and Uneza Akhtar<br>The Citizens Foundation, USA , 2425 Touhy Ave. Elk Grove Village, IL 60007, USA<br>Telephone 1-888-729-3022 Fax:1-847-443-4299 |
| **Canada** | Aziz Rakla. Telephone/Fax +905-6072666<br>The Citizens Foundation, Canada, 1877 Featherston Drive Mississauga, ON L5L 2T2 |

TCF Team members locally and internationally can be emailed at: **info@tcf.org.pk**

## Donate Through Cheques / Drafts

With cheques or bank drafts, please communicate your address & donation details through a letter. An official receipt will promptly be mailed to you.

**Pakistan**
Cheque Payable to: The Citizens Foundation
Mailing Address: Plot No. 20, Sector - 14, Near Brookes Chowrangi, Korangi Industrial Zone, Karachi.

**UAE**
Cheque Payable to : The Citizens Foundation
Mailing Address: Office No. 118, Building No. 4, International Humanitarian City, Dubai Industrial City Headquarters, P.O. Box No. 506007, Dubai, UAE

**UK**
Cheque Payable to: The Citizens Foundation (UK)
Mailing Address: Grove House 2 Orange Street, London WC2H 7DF

**Canada**
Cheque Payable to: The Citizens Foundation
Mailing Address: 1877 Featherston Drive, Mississauga, Ontario L5L 2T2

**USA**
Cheque Payable to: The Citizens Foundation, USA
Mailing Address: 2425 Touhy Ave. Elk Grove Village, IL 60007, USA

## Donate Through Deposits

Deposits or direct bank transfers can be made to our accounts in any of the below mentioned countries. If you wish to receive a receipt acknowledging your donation, please communicate your address & donation details through a letter or by filling out the relevant forms given above. An official receipt will be promptly mailed to you.

### Pakistan

| | |
|---|---|
| Title of Account | The Citizens Foundation, Askari Bank Ltd., Clifton Branch, Karachi |
| Account no. (PKR) | 015-165-050046-3 |
| Account no. (USD) | 015-050-060016-5 |
| Swift Code | ASCMPKKA |

| | |
|---|---|
| Title of Account | The Citizens Foundation, Bank Al Habib Ltd., Sharah-e-Faisal Branch, Karachi |
| Account no.(PKR) | 1003-0081-052119-01-6 (For Zakat Funds only) |
| Account no. (PKR) | 1003-0081-052119-02-7 |
| Account no. (USD) | 41805382275-5 |
| Swift Code | BAHLPKKA |

| | |
|---|---|
| Title of Account | The Citizens Foundation, Standard Chartered Bank. Main Branch, I.Chundrigar Road, Karachi. |
| Account no. (PKR) | 01-1348477-01 |
| Swift Code | SCBLPKKX |

| | |
|---|---|
| Title of Account | The Citizens Foundation, MCB Bank Limited Bahadurabad Branch, Karachi. |
| Account no.(PKR) | 73032551000981 |

| | |
|---|---|
| Title of Account | The Citizens Foundation, Faysal Bank Limited, Shahrah-e-Faisal Branch, Karachi |
| Account no. (PKR) | 01311490008983 |

| | |
|---|---|
| Title of Account | The Citizens Foundation, NIB Bank, Clifton Branch, Karachi |
| Account no. (PKR) | 1729667 |
| Account No. (GBP) | 1711911 |
| Account No. (US$) | 1750208 |
| Account No. (Euro) | 1756559 |
| Swift Code | NIBPPKKA |

| | |
|---|---|
| Title of Account | The Citizens Foundation, Habib Bank Limited, Korangi Road Branch, Karachi. |
| Account no. (PKR) | 19107900177401 |

### Oman / Qatar / Kuwait

| | |
|---|---|
| Title of Account | The Citizens Foundation, Askari Commercial Bank Ltd., Clifton Branch, Karachi, Pakistan. |
| Account no.(PKR) | 011650046-1 |
| Account no. (USD) | 15-020460016-9 |
| Swift Code | ASCMPKKA |

### UAE

| | |
|---|---|
| Title of Account | The Citizens Foundation, Habib Bank AG Zurich, Main Branch, B Square, P.O. Box 3306, Deira, Dubai |
| Account no.(PKR) | 020101-20430-105-266861 |
| Account no. (USD) | 020101-20430-333-266861 |
| Swift Code | HBZUAEAD |
| Mailing Address Humanitarian | Office No. 118, Building No. 4, International City, Dubai Industrial City Headquarters, P. O. Box 506007, Dubai, UAE |

### UK

| | |
|---|---|
| Title of Account | The Citizens Foundation, HSBC Bank, Leaderhall, |
| Market | Branch, 95 Gracechurch Street London, EC3V 0DQ |
| Sort No. | 40-04-12 |
| Account No. | 71415255 |
| Name of Charity | Friends of the Citizens Foundation |
| CharitiesCommision No. | 1087864 |
| | *All donations are tax deductible for UK basic and higher rate taxpayers under the Gift Aid Scheme* |

### Canada

| | |
|---|---|
| Title of Account | The Citizens Foundation, Canada, Bank of Montreal 2146 Burnhamthorpe Rd. West, Mississauga, Ontario L5L 5Z5 |
| Institution No. | 001 |
| Account No. | 8309-457 |
| Swift Code | BOFMCAM2 |
| Mailing Address | 1877 Featherston Drive, Mississauga, Ontario L5L 2T2 |

### USA

Please contact: Danial Noorani and Uneza Akhtar
The Citizens Foundation, USA , 2425 Touhy Ave. Elk Grove Village, IL 60007, USA
Phone: 1-888-729-3022 Fax:1-847-443-4299
E-mail: danial.noorani@tcfusa.org, uneza.akhtar@tcfusa.org

## Online Donations

**www.tcf.org.pk**
using your Master/VISA card


TCF SCHOOL
F.S.B CAMPUS
TCF SCHOO

# TCF Endowment Fund

TCF gives you the opportunity to be a permanent investor in education resulting in a **long term commitment to improve literacy in Pakistan for many years to come.**

**Endowment Fund represents contribution received from the donors with the stipulation of principal amount to be kept intact while the income earned on related investments could be used for specific or general educational purpose.**

ENDOWMENT FUND helps TCF with the following:

- Financial stability
- Insurance against uncertainty
- Reducing dependency in the future
- Diversifies our organization's source of funding
- Protect against inflation

**BENEFITS OF ENDOWMENT FUND**

The main benefit of Endowment Fund is to maintain a sustainable support to school operations. The Endowment Fund is invested in accordance with the recommendation of the TCF investment committee. Quarterly meetings of the management are held to monitor the endowment fund, its investment and returns. Endowment funds are invested in long term (one year and above) schemes with institutions with good rating AA or better assigned by credit rating agencies PACRA or JCR-VIS. The scheme of investments may be Term Finance Certificate (TFC) of banks and corporate issuers.

To acknowledge our Endowment Fund donors, a signage is placed at the campus towards life time support of the campus. With your support, the project will help in broadening the horizons of economically disadvantaged children, helping them to come out of the vicious circle of poverty.




The Citizens Foundation would also like to thank our esteemed endowment fund donors like Zulekhabai VM Gany Rangoonwala Trust. Their support will help us sustain our Education Programme and expand our reach to more less privileged children in Pakistan.

# Support a School / Child



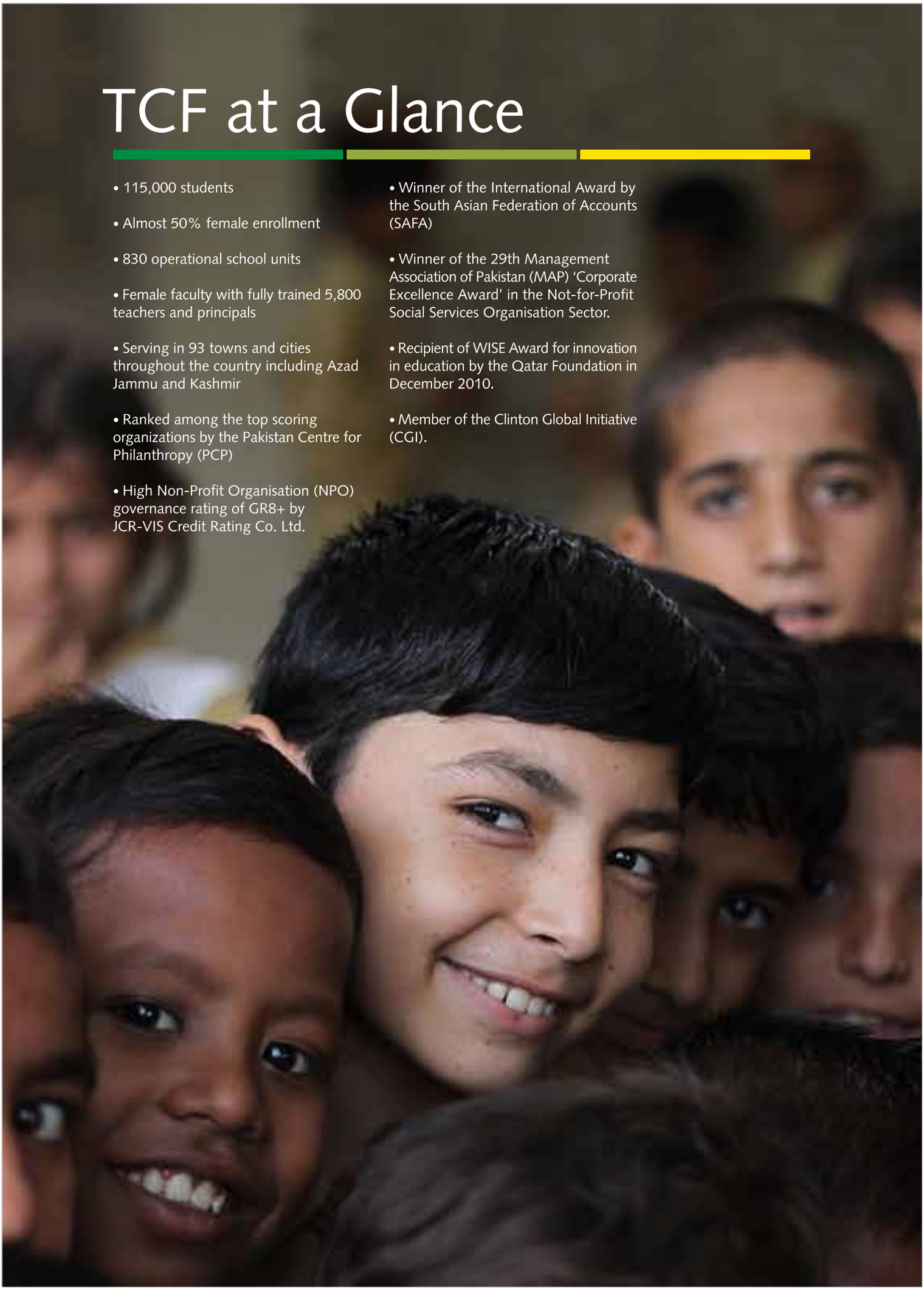
## It takes only 12,000/- to support the education of a child for an entire year!

### Your Support goes a long Way!

Your help in supporting schools and children is crucial and goes a long way in positively affecting generations to come. Please come forward to support TCF schools and students and help fulfill many young dreams.

# TCF at a Glance

- 115,000 students
- Almost 50% female enrollment
- 830 operational school units
- Female faculty with fully trained 5,800 teachers and principals
- Serving in 93 towns and cities throughout the country including Azad Jammu and Kashmir
- Ranked among the top scoring organizations by the Pakistan Centre for Philanthropy (PCP)
- High Non-Profit Organisation (NPO) governance rating of GR8+ by JCR-VIS Credit Rating Co. Ltd.
- Winner of the International Award by the South Asian Federation of Accounts (SAFA)
- Winner of the 29th Management Association of Pakistan (MAP) 'Corporate Excellence Award' in the Not-for-Profit Social Services Organisation Sector.
- Recipient of WISE Award for innovation in education by the Qatar Foundation in December 2010.
- Member of the Clinton Global Initiative (CGI).



# TCF Pledge Form

## Pledge to Educate

I hereby pledge to The Citizens Foundation that I will:
(please tick the appropriate category)

| Amount (Rs.) | | |
|---|---|---|
| | | **Educate-a-Child** (amount in Pak Rupees) |
| 1,000 | ☐ | Month |
| 12,000 | ☐ | Year |
| 132,000 | ☐ | KG to Matric |
| 10,000 | ☐ | **Donate text books / Uniforms for a class** |
| | | **Support-a-School (2012-13)** (amount in Pak Rupees) |
| 1.5 m | ☐ | Primary Unit |
| 3.0 m | ☐ | Secondary (dual unit) |
| Any amount | ☐ | Lifetime Support/Endowment Fund* |
| | | **Build-a-School + Support-a-School (2014-16)** (amount in Pak Rupees) |
| 11.5 m + 4.95 m | ☐ | Primary |
| 25 m + 9.9 m | ☐ | Secondary (dual unit) |

Please Note:

- For cost efficiency, secondary schools are built as dual units. However, a donor can donate for construction and support a single unit separately as part of the overall secondary school project.
- Construction costs are average for the current build cycle of 2012-13. Rates vary for different locations and are subject to revision based on cement and steel prices. These are average construction costs. Any deficit / surplus is adjusted by/in the general construction budget.
- Each Build-a-School Project can only be taken up with the provision of school support for three years.
- Construction work in the earthquake zone will need to take into account cost for special earthquake safety measures.

• Please contact TCF Head office for details.

**Online Donations:** www.tcf.org.pk
**Head Office:** Plot No. 20, Sector No. 14,
Korangi Industrial Area, Karachi, Pakistan
Tel: +92-21-**111-823-823**
Fax: +92-21-35113460

Name: .....
Email: .....
Address: .....
City: .....
Country: .....
Postal Code: .....
Tel: .....

**To be paid:** ☐ Monthly ☐ Annually ☐ One-time
**Through:** ☐ Cheque ☐ Cash ☐ Credit Card
**For:** ☐ Ongoing ☐ Two Years ☐ One Year
**E-receipt:** ☐ Yes ☐ No

### DONATION AUTHORISATION FORM

#### 1. CASH OR CHEQUE

I have enclosed a cheque / cash of Rs. .....
Rs. (in words) .....
(Not to be filled by persons paying through credit cards)

#### 2. CREDIT CARDS

Rs. .....
I hereby authorize my bank to charge the above stated amount from my following credit card & donate the same to TCF.

Card Type:
☐ Visa ☐ Master Card
Name: .....
(As it appears on the credit card)
Credit Card No.: .....
Expiry date: ☐☐ Month ☐☐ Year

#### 3. BANK ACCOUNT-DIRECT DEBIT INSTRUCTIONS

Rs. .....
I hereby authorize my bank to charge the above stated amount from my following bank account & donate the same to TCF.
Account Type:
☐ PLS ☐ Current Account
Title of Account: .....
Account Number: .....
Bank: .....
Branch: .....

Signature: .....

Date: .....



A new leaf. A new committment.
A symbol of hope and promise
for all the tomorrows.

Logo designed and created by Imran Mir

Photography by
Wahaj @ Hocus Focus Photography
Mustafa Mohsin
Nadir Siddiki
Tooba Bukhari
Nida Aslam

TCF thanks the photographers for providing pro bono services.

Concept and Design
sprintdesign
www.sprintdesign.com.pk

Disclaimer: All photographs included in the Annual Report have been taken with the consent of the individuals / groups.

***Our hope for a bright future rest on these young students.***

*Cover: TCF School - Gatron Campus, Karachi.*

**www.tcf.org.pk**

Publication of TCF Annual Report 2012 has been sponsored by a well-wisher