

“Those who spend their wealth in the way of Allah
are similar (in reward) to a seed of grain
that produces seven ears of grain.
Each ear containing a hundred seeds.
Thus Allah multiplies (the reward) of whomever He wishes.
Indeed, Allah is Infinite and All knowing.”

(Al-Quran 2.261)



OUR CIRCLE OF TRUST

More than 28,000 children study in over 200 TCF Schools across Pakistan. Schools that exist today only because of the many relationships of trust built over the years.

Trust of the **donors** who contribute generously to our cause.

Trust of the **teachers** who travel across the country to impart education.

Trust of the **volunteers** who spend so much of their valuable time and energy to promote our cause.

Trust of the **parents** who put their children in our schools with the hope that someday this will help change their lives for the better...

At TCF, we work tirelessly to safeguard this trust. For us, it is not just an abstract value system, it is the very basis of existence; a doctrine that guides every action we take.

We pray that this "Circle of Trust" increases every day, as so much more can be accomplished when such responsibilities are shouldered together.





Trust of the Donors

who contribute generously to our cause....

Less than ten years ago, TCF started out with five schools and the dream to build a thousand. This dream did not just sound ambitious, but to many, quite unattainable. However, within a few years, the humble beginning gave way to a meteoric growth and now, each year, with a school being added every week, we come closer to the realization of the foundational dream.

All of this growth and development of our program has only been possible through the generosity of our family of donors. From large corporations and businesses to doctors and bankers, students and even small children, TCF is helped by the large hearted support of each and every one of them. Some build schools, some run them, some take up the responsibility of educating a child while many donate in kind. All these wonderful people realize their responsibility and contribute with the single minded objective of giving the deprived youth of Pakistan, a better chance in life.

What makes us proud is that most of these donors keep coming back to help us over and over again. And it is the trust that they have developed in us, the trust that we strive to nurture with care, which is responsible for such continued commitment and kindness.



A TCF School sponsored by a donor who, like many of our donors, prefers to remain anonymous.

Trust of the Teachers

who travel across the country to impart education...

TCF has an academic staff of nearly two thousand female teachers and principals imparting education to thousands of children. They are the true emissaries of our program and are the primary source of establishing quality education standards and creating a healthy learning environment. Every possible effort is therefore made to motivate and develop this valuable resource.

Each TCF teacher is trained thoroughly not only before she joins school, but also every year through a countrywide developmental summer training program. To motivate and encourage females to work, TCF takes the responsibility of transporting each staff member from their homes and back. Although this requires mammoth logistic management, TCF values the comfort and security of its staff above all.

As a result, we have a team of highly dedicated and motivated teachers and principals who exhibit their unwavering commitment in so many ways. They travel incredibly long distances to reach school, even journeying across provinces in some cases, fight with parents to let children continue their education and at times even pitch their own funds to pay student's fees. They demonstrate their personal involvement by partaking in all the sorrows and joys of their students. So involved are they that at the end of the year we find many have not availed even a single day's absence. These teachers and principals believe and trust TCF and have proudly undertaken the task of helping TCF realize its dream of taking quality education to the most deprived areas of Pakistan.



Rukhsana Shaikh is the Principal of TCF School Soorty Campus II, Haji N.M. Kanaat Village, Jhangesar/Ketty Bandar. To get to her school located in the desperately poor interior Sindh area of Ketty Bandar, Rukhsana has to travel an average of four and a half hours every day. At first, Rukhsana found the commute taxing.

However, within a few months, the thirst for education in the children of this area took precedence to all personal discomfort and now imparting education to these children is not just a challenge but also a personal objective.



THE CITIZENS FOUNDATION

Trust of the Volunteers

who spend so much of their valuable time and energy to
promote our cause...

TCF is very proud of its huge family of volunteers who help promote its cause all over the world. From directly helping TCF management run the program to creating awareness and conducting fund raising events, this medley of students, professionals and housewives work selflessly and tirelessly to help TCF in their individual capacities.

Our volunteers have established formal chapters and support groups all over the world. Besides Pakistan; UK, USA, UAE, Saudia Arabia, Bahrain and Canada are just a few of the places where active efforts are being conducted to promote our cause.

We have extraordinary stories of sacrifice and commitment of these wonderful people. They trek across mountains and deserts to raise funds, turn their homes and businesses into TCF offices, help save millions of rupees by offering valuable complimentary services and sacrifice personal comforts and time. The list goes on and on and on. These noble do-gooders have taken to heart the cause of educating the less-privileged. It has become a personal objective for them and to achieve this they have honoured TCF with the trust, that through its efforts, they will be able to realize their dream of giving the children of Pakistan a chance for a better future.



An extract from Saqib Khan's journal he kept during the Marathon

"As if 'Dune day' and the 'Non-stop stage' were not enough, today was 'Marathon day' a full 26.2 miles or 42-point-something kms, I did it in a time of around 8.5hrs, about twice what a normal marathon might take me. I was fine up until 12kms and from then until the 30km mark I had almost zero energy, my legs were moving much slower much as I tried to get them going again, and then as suddenly as the power in them went, they came back and I finished strongly. It was a very hot day, and I'm told it got up to 50 degrees centigrade (not sure what that is in Fahrenheit but its a lot!) I'm feeling a massive amount of relief now as I've completed 217 of 237kms and all that remains now is a mere 20kms and it's all over..."

"I found myself drawing strength today by thinking repeatedly of the children of The Citizens Foundation schools. When those weaker moments came that seemed to help immensely..."

One of our most remarkable stories of selflessness is that of Saqib Khan, a second-generation Pakistani in the UK who undertook the mammoth task of running Marathon des Sables to raise funds for TCF. Termed as "the toughest footrace on earth," Saqib became the first Pakistani to have ever completed this grueling six day, 237 KM race across the Sahara Desert in Morocco. During this time, competitors have to carry all food, survival equipment and other supplies over ground ranging from sand dunes to uneven rocky terrain in temperatures that soar over 49°C (120°F).

A statutory fundraising manager by profession, the decision to run Marathon des Sables was purely an emotional one. Inspired by the work of TCF, Saqib decided to contribute to the noble cause by running the marathon. Thirst, hunger, swollen feet and blistering heat, were just a few of the obstacles he faced. However, the thought of the difference he would make in the lives of so many children kept him going and helped him accomplish such an extraordinary feat.

Trust of the Parents

who put their children in our schools with the hope that someday this will change their lives for the better...

Social constraints, family pressures, economic alternatives and logistic limitations are just a few of the many factors that inhibit parents to send their children to school.

However, TCF's adjustable fee policy, comfortable environment, quality educational standards and excellent facilities, compel parents to fight against all odds and send their children to school. Determination and resolve of parents, especially the mothers, is awe inspiring. Fathers work overtime, mothers seek employment so their children can stay in school, many face serious domestic strife for taking a stand against family traditions that disallow girls to study and some even sacrifice on basic necessities to afford the education of their many children.

All this effort, all this struggle is hinged upon the trust they have placed in TCF. The trust that someday their children will have the chance in life they truly deserve.



Zainab and her family live in Essanwala, a small village of Muzaffargarh near Multan where the mighty River Indus breaks into tiny inlets that wind across fertile plains. One such inlet passes right across Zainab's house and she and her family of cousins have a happy time playing on the banks of the sparkling water. However, what makes these children happier is the time they spend in their school. The only educational option available to them is that of a TCF School across the river inlet. In this far-flung forgotten little village, the warm red brick building of the TCF School is a beacon of hope for the local population. Zainab and her cousins are enrolled in various classes in the TCF School Gurmani Campus-III Essanwala and the effort their parents make to ensure that the children stay in school is highly inspirational.

In winters the water level in the rivulet is relatively low and to get to school, the children wade across the cold water with their school bags on their heads. On reaching the bank, they quickly dry their clothes and rush to school. In summers however, getting to school is not that simple as the water level is too high for them to wade or swim. Every morning the family wakes up early and the parents put the children on floatable tractor tubes and help them cross the rivulet. It is a long and, for younger children like Zainab, a risky journey. However, the children and their parents feel it is an effort worth it. They realize this is their only ray of hope for a better future in this poverty ridden rural community.

Who we Are

The Citizens Foundation (TCF) is a not-for-profit organization working to provide quality education in the less-privileged areas of Pakistan. TCF builds schools and has taken a formal education program to urban slums and far-flung rural communities.



What we have Achieved

- A network of purpose-built 224 School Units
- Educating over 28,000 children
- A presence in 26 different locations across Pakistan
- Employed an all female academic staff of over 2000
- Offer co-education schooling with nearly 50% female students
- Have a JCR-VIS Governance rating of GR8
- Are amongst Pakistan Centre for Philanthropy's highest scoring organizations today

What we did this Year

- Opened 44 new School Units
- Increased our enrollment capacity to 44,500+ students
- Established a nationwide presence by opening a school in NWFP
- Ventured into five new locations

What we wish to Achieve

- Establish 1000 school units educating 360,000 children

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Five year old Fizza, a KG student at the TCF Primary School, Shirin Sultan Dossa Campus-XV, Garden West-2, Karachi, loves listening to stories. Now, with the help of her teachers at school, she is learning how to read herself. And nothing makes this little girl happier.

Her father, a petty police officer makes very little money. Living in the expensive metropolis of Karachi, this family has hardly enough to make ends meet let alone send children to school.

TCF's education program helps families afford quality schooling for their children.

Fizza dreams of becoming a school teacher one day. TCF works hard to give children like Fizza a chance to realize their dreams.



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About TCF



Education is a fundamental human right. It dispels ignorance and is the primary vehicle by which people can lift themselves out of the vicious cycle of poverty. Above all, education is a precondition for exercising all other rights necessary for human development. Whereas such a right is taken for granted in other countries, in Pakistan, with its overwhelming population of over 140 million people, it is considered more of a luxury. Millions of children have no access to education. The surest way of safeguarding a country's future is by making sure its children receive basic education and it is our responsibility as citizens of this country to ensure that quality education is available to every school going child who might never otherwise get a chance to see the inside of a classroom, turn the pages of a book or put pen to paper.

The Citizens Foundation (TCF) came into existence due to the neglected state of education in Pakistan. TCF, the product of nine years of hard work and dedication of its supporters, is a professionally managed, not-for-profit organization working to provide education to the less-privileged children of Pakistan. TCF builds schools in far-flung rural areas and urban slums (katchi abadis) of the country where there is a dire need for quality education facilities.

The Foundation was established in August 1995 and in September 1996 was incorporated as a company limited by guarantee, under the Companies Ordinance 1984. The tone for the future was set at inception in 1995 when the pioneering directors built the first five schools at their own expense. The pre-incorporation period of TCF was of special significance, as the decisions taken during that period formed the guiding principles for the organization. The dominant and easily noticeable culture of TCF that



focuses on high moral values, efficiency, devotion to duty and quest for excellence, has its roots in examples set during those formative years.

The aim of the TCF education program is to equip less-privileged children with knowledge and literacy skills, to inculcate high moral values and to build confidence in them to strive for their goals. These aims are being achieved by pursuing a relevant and comprehensive curriculum, by adhering to an effective teachers training program and by designing a teaching method that helps children understand, recognize, reason and enjoy the learning process.

TCF Schools are purpose-built with all the necessary facilities such as an art room, laboratories, computers, sports, library facilities and an environment conducive to growth and development of children. The bulk of the cost of educating children is met by the Foundation. A national fees system is in place but this is on a pay-as-you-can-afford system, as are costs for uniforms, books and stationery. TCF offers financial aid from 5% to 95% depending on the income level of the family.



Investment in human capital in the form of basic education cannot be postponed, it either takes place at an appropriate age when the need is present – or it does not!

For the young child there is no second chance.

Our Mission



**To promote mass scale quality education
at the Primary and Secondary levels
in an environment that encourages
intellectual, moral and spiritual growth.**



Model TCF Schools

Every standard TCF Primary School has six classrooms, an administrative block, an art room and a library. Secondary Schools have ten classrooms, well-equipped science and computer labs as well as an art room/library. Essential facilities such as water, electricity, clean toilets and play area are provided in all TCF Schools.

Construction Cost

Primary:	Rs. 5,000,000 (US\$ 84,000)
Secondary:	Rs. 10,000,000 (US\$ 168,000)

Operating Cost for a Year

Primary:	Rs. 800,000 (US\$ 13,500)
Secondary:	Rs. 1,400,000 (US\$ 23,500)

Maximum Fee Charged

Primary:	Rs. 125 / month (US\$ 2.1/ month)
Secondary	Rs. 175/ month (US\$ 2.9/ month)

Total Number of School Units

Primary:	
Total Units:	167
Units in North:	54
Units in South:	113

Secondary:	
Total Units:	57
Units in North:	14
Units in South:	43

Details per School

Primary:	
Covered Area:	6000 + square feet
Number of Classrooms:	6 + library/artroom
Student Capacity:	180

Secondary:	
Covered Area:	14,000 + square feet
Number of Classrooms:	10 + library/artroom
Number of Labs:	3
Student Capacity:	360



TCF School, Dr. Amiruddin Trust Campus, Minahalla Kallan, Lahore



Chairman's Report

Ignorance prevents people from improving their lives and is thereby the biggest impediment to a nation's development. Most of the problems faced by our world today stem from mass ignorance. Poverty, disease, over population, violence, ecological crisis and intolerance are all fall outs of a lack of knowledge and comprehension.

Education is the springboard to guaranteed progress. It equips people with the power of understanding, the freedom of choosing and the opportunity for improvement. Nations have prospered only through investment in human capital. The Citizens Foundation exists to provide the chance of education to Pakistan's most impoverished youth who will grow up to shape the future of this country.

I present to you our year end review of 2004-2005 and am happy to report that it has been a year of many achievements. As we are approaching our first decade of existence we have managed to reach three important landmarks. With the opening of our first school in Nowshera, our network has now extended to all four provinces establishing our national presence. Along with this, we have now crossed the milestone of 200 schools and are well on our way to achieving our goal of a 1000 school units. And lastly, with the addition of fifty schools this year, we have managed to increase our momentum of growth to an enviable pace of opening a new school every week.

Recognition of our efforts has also been amplified at both national and international platforms. I had the opportunity to present the cause of TCF before keynote personages at the House of Commons in London and Woodrow Wilson Centre in Washington. Locally, our program acceptance can be gauged by the fact that an account of TCF has been added to secondary school course books and students across the nation are studying it as an example of a developmental agency. Beside recognition, support for our cause has also been growing phenomenally and this year a new chapter was started in Canada which is formally registered with the Government of Canada. With this addition we now have seven support chapters across the world who are working tirelessly to advocate support for our cause.

TCF submitted itself to voluntary governance rating and was assigned a rating of GR-8 on a scale of 1-10 by JCR-VIS last year. Another endorsement of 'good house-keeping' has been the assessment by Pakistan Centre for Philanthropy who after careful evaluation has placed TCF amongst their highest scoring organizations.

Our education program revolves around the 28,000+ young lives who come to our schools with high spirits, eyes full of hope and a mind open to learning. They do us proud whatever they do. I am happy to inform you that this year's matriculation results were excellent with 28% of the students scoring A grades and above. All of this has been possible through the incessant efforts and sincerity of our academic staff that are the real strength of our program.

To enhance our student's computer proficiency we undertook a "Computer Lab Refurbishment" project whereby 22 secondary school computer labs were revamped. All old computers were replaced with new and better computers. Printers were added and networking infrastructure was set up along with installing adequate equipment to deal with the very common power fluctuations.

Besides expanding the program to additional locations, this year we endeavored to penetrate more in the existing areas of our operation. A case in point is Sindh, where previously our area of concentration was mainly Karachi. This year we took the program to interior Sindh where there is an overwhelming need for education. Many of the children seeking admission were those who had never been to school and were too old to be taken in KG. To accommodate them, we undertook the Jugnoo adult literacy program called 'Fast Track.' This eleven month program is targeted for children of twelve years and above who after this training can directly be admitted to third grade.



At TCF we aim to establish standards of excellence in whatever we do. To achieve this we need to keep evaluating our activities. Every year we conduct two evaluations; an operational evaluation and an academic evaluation. Both are done by independent agencies that conduct in-depth analysis of our systems, review our activities, gauge our policies and then send in comprehensive reports. These reports are integral in helping us devise new methodologies to run the program more effectively. Along with this, we are now designing five and ten year strategic plans which will enable us to not only enhance our expansion rate but shall also help maintain and augment our quality standards. The program is growing fast and to accommodate this growth we are making infrastructural improvements which are stretching our operational budget limitations. However, we view them not as costs, but as much needed investments which shall set the tone for future progress.

I would like to also express my sincere thanks to the management and staff of TCF for their tremendous dedication and hard work during this year. Along with them, I would like to especially acknowledge the efforts of our fulltime volunteers and advisors Mr. Shamshad Nabi, Mr. Jal Boga and Mr. Javed H. Malik who come to our office and help us on a daily basis.

I would also like to like to pay a special tribute to Ateed Riaz, Director and outgoing CEO, for his great contribution of managing the organization for the past three years. At the most crucial time Ateed took time out from his own business activities and volunteered to take up this mammoth task. The years he spent were very critical and marked TCF's onset on the road of development where the numbers swelled from 80 to 224 schools across Pakistan. On behalf of the entire TCF family, I thank him for his invaluable services.

Along with this, I welcome our new CEO, Lt Gen (R) S.P. Shahid who joined us on June 01, 2005 after completing 36 years of commissioned service. General Shahid has served on different important command, staff and instructional appointments in the Pakistan Army including Chief of Staff of Corps & Director General Joint Staff Headquarters Chaklala.

In the end, I would like to thank all TCF donors and supporters who have helped us come this far and hope that this continuum of conscious and caring people increases everyday. The journey is long and the road is tough, but together we can reach our destination of a more enlightened Pakistan.

Ahsan M. Saleem
Chairman
The Citizens Foundation
September 2005



Directors' Report

The directors have pleasure in submitting their statutory report together with audited financial statements of The Citizens Foundation for the year ended June 30, 2005.

Operating Results:

The operating results of the Foundation as detailed in the Income and Expenditure Account which shows a surplus of Rs. 206,362,000 for the year ended June 30, 2005 which has been transferred to the General Fund. It may be mentioned that this surplus in fact represents monies received and/or committed for:

Land for Schools	Rs. 9,346,930
School Construction	Rs. 171,316,629
School Furniture	Rs. 14,285,801
School Operation	Rs. 11,412,640
Total	Rs. 206,362,000

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.
- ▶ 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 comprised of such standards as notified under the provisions of the Companies Ordinance, 1984.
- ▶ 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 as a going concern.
- ▶ There has been no material departure from the best practices of corporate governance.
- ▶ Details of significant improvements in the Foundation's operations during the current year and significant plans and decisions for the future are stated in the report of the Chief Executive Officer.

Directors

The Directors have met regularly to provide guidance and support for which I record my appreciation and thanks. Since the last report, no change in directorship has taken place.

Financial Statements

The financial statements of the Foundation have been duly audited and approved without qualification by the auditors of the Foundation, Taseer Hadi Khalid & Co. and their report is attached with the financial statements. No material changes and commitments affecting the financial position of the Foundation have occurred between the end of the financial year to which this Balance Sheet relates and the date of the Directors' Report.

By order of the Board

Lt Gen (R) S.P. Shahid, HI(M)
Chief Executive Officer
September 22, 2005

CEO's Report

I joined the TCF team as its CEO in June, 2005. After thirty-six years of service in the Pakistan Army, I am very happy to have the opportunity of leading this exceptional institution. First of all, I would like to record my appreciation and pay rich tributes to the founders of this institution for their vision, untiring efforts and generosity, which have been the critical elements in its success. I would also like to acknowledge the valuable contributions of my predecessors and their distinguished services. In my few months at TCF I have also been very impressed with the dedication of the teachers, managers and staff of TCF, at all levels. I regard my present position- as an important member of a team with the TCF Board of Directors, generous donors, its committed corps of teachers, managers and staff, its vast army of dedicated volunteers; in the fight against illiteracy and for the provision of quality education to less-privileged children of Pakistan- the greatest challenge of my life. I pray to Allah to grant me success in my endeavors.

I am proud to report that the financial year under review marked the crossing of the important milestone of 200 school units and with the growing support and generosity of its supporters and well wishers, TCF is poised for accelerated growth. With the opening of a School in Nowshera, in NWFP, we have established a presence in all four provinces of Pakistan. Also, we have managed to open schools in the grossly neglected areas of interior of Sindh. When our schools opened in the poor villages of Jhangesar, hundreds of families were at the gates seeking admission. The need for education here, as we have seen in so many other places, was so overwhelming that we had to open an additional kindergarten section.

In the year under review, TCF has started schools in Nowshera, Jhangesar, Jhang, Gwadar and Kotri. Our expansion into new areas is expected to continue at accelerated pace. In view of this continuing growth all over Pakistan, we reorganized the North Region in two separate regions each headed by a Regional Manger. We have further sub divided South Region (Sindh and Balochistan) into six different areas each under an Area Manager. Our focus continues in strengthening and building our capacity for improving the quality of our education delivery, which is our most important objective. Professionals and specialists in education, training and curriculum development were added to our Head Office team along with specialist H.R & Personnel Development, IT and other disciplines. Capacity building comes at a cost. However, we continue in our pursuit of excellence for delivery of quality education at most economical costs.

No matter what challenges the coming years bring, my pledge is to continue with my resolve to direct all my energy and attention to the goal of leading the TCF team, under the direction of its distinguished Board of Directors, towards bringing high quality education available to a larger number of poor and deprived children in the neglected areas all over Pakistan. I am grateful to the TCF family for entrusting me with this responsibility and hope that, Insh'Aallah, together with the team of TCF Board of Directors, its generous donors, committed teachers, managers, staff and devoted volunteers we will continue to add greater value to our excellent cause.

On my joining the TCF team, I was reminded of what H.G. Wells had to say about the pursuit of education: *"You stick to a plan. Don't wait for anyone to show you the way. Nobody will. There isn't a way till you make one. Get education, get a good education. Fight your way to the top. Its your only chance."*

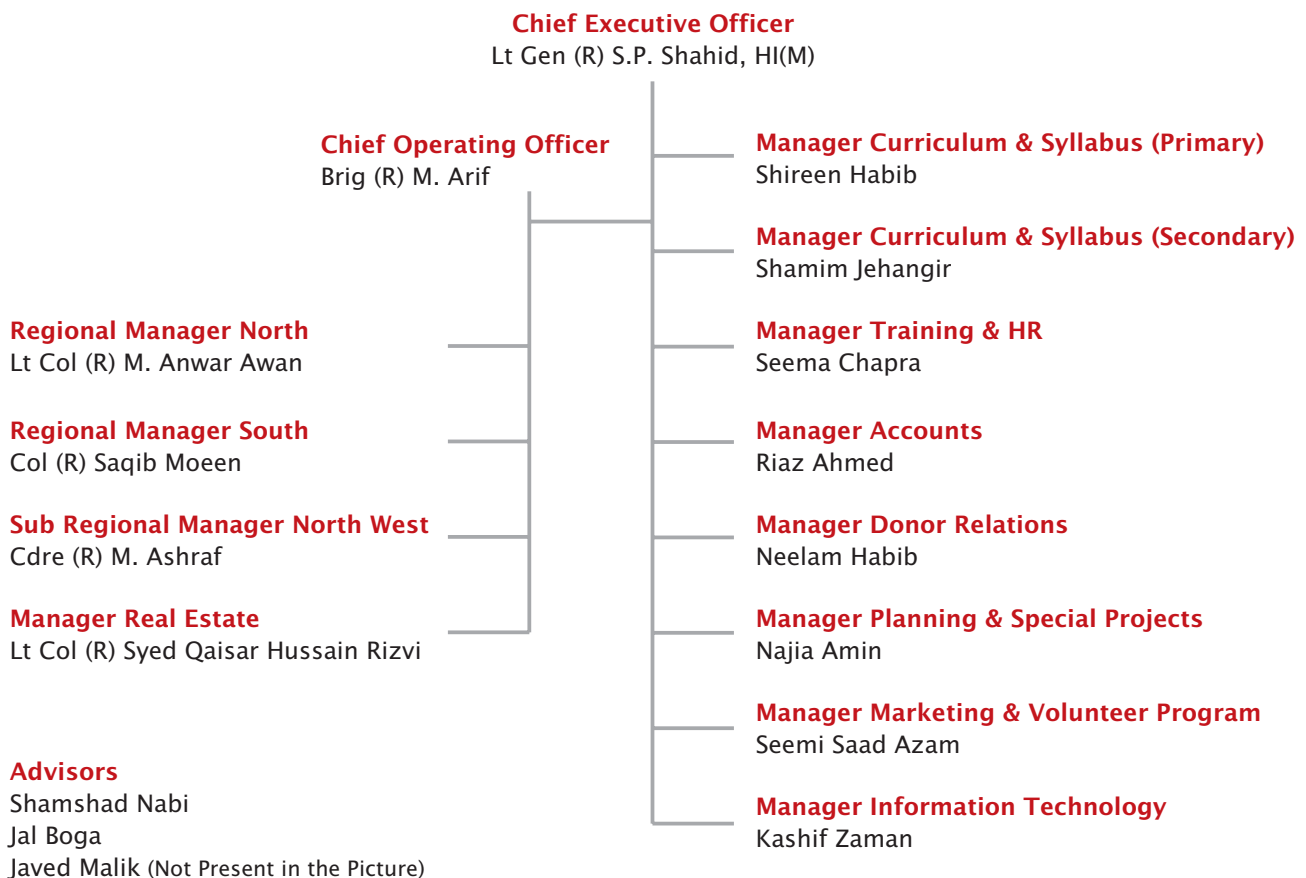
Lt Gen (R) S.P. Shahid, HI(M)
Chief Executive Officer
September 2005



TCF Management



Front Row L to R: Seemi Saad Azam, Neelam Habib, Shamim Jehangir, Seema Chapra, Najia Amin, Shireen Habib & Cdre Ashraf
Back Row L to R: Shamshad Nabi, Jal Boga, Kashif Zaman, Lt Gen S.P. Shahid, Brig Arif, Col Anwar, Col Saqib, Riaz Ahmad, Col Rizvi



Our Board of Directors



L to R: Ahsan Saleem, Rashid Abdulla, Ateed Riaz, Arshad Abdulla, Mushtaq Chhapra & Lt Gen (R) S.P. Shahid
Not Present in the picture: Ishaque Noor & Lt Gen (R) Sabeeh Qamar uz Zaman

Directors*

Arshad Abdulla
Rashid Abdulla
Mushtaq Chhapra
Ishaque Noor
Lt Gen (R) Sabeeh Qamar uz Zaman
Ateed Riaz
Ahsan M. Saleem (Chairman)
Lt Gen (R) S.P. Shahid (Chief Executive Officer)

Company Secretary

Lt Col (R) Syed Qaisar Hussain Rizvi

Auditors

Taseer Hadi Khalid & Co (KPMG)
Chartered Accountants

Executive Committee*

Arshad Abdulla
Mushtaq Chhapra
Ateed Riaz
Ahsan M Saleem
Lt Gen (R) S.P. Shahid

Legal Counsel

Mohsin Tayebaly & Co.
Afridi, Shah & Minallah

Registered Office

7th Floor, N.I.C. Building
Abbasi Shaheed Road,
Karachi - 75530, Pakistan

Audit Committee*

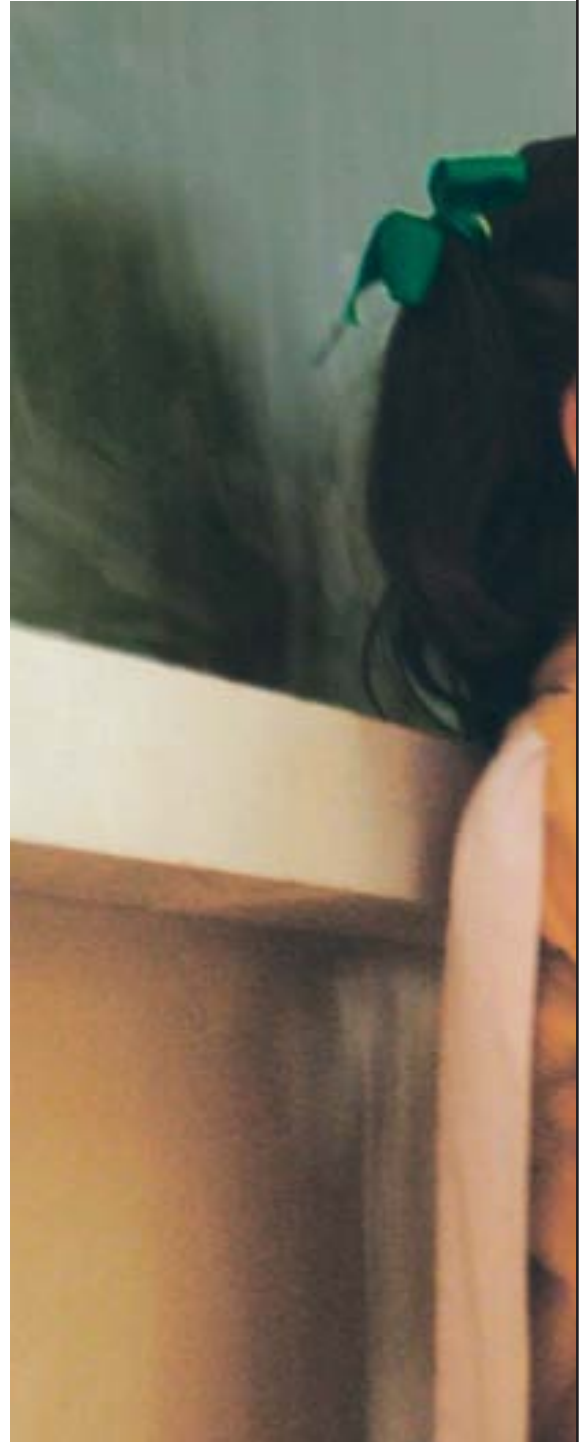
Mushtaq Chhapra (Chairman)
S.M. Ehtishamullah
Shamshad Nabi

* In alphabetical order

OUR EDUCATION PROGRAM

The TCF education program revolves around its students and teachers. We strive to provide a healthy learning environment where the energy and creativity of young children is nurtured to maximize their potential. Teachers are the primary mode of developing a healthy learning environment and establishing quality education standards. They are the ones in direct contact with the children and have the power of impacting their lives.

A healthy student relationship is thereby at the heart of our education program. We invest time, energy and resources to develop competent and compassionate teachers who can go out there and improve the young minds who do us proud....





THE CITIZENS FOUNDATION

They do us Proud..

TCF Children win Quiz Competition

An exciting inter-school Quiz Competition organized by the Community Development Department, City District Karachi, was held at the Korangi Community Center on February 24, 2005. In all, 29 Schools located in the areas of Korangi and Landhi participated in this competition, out of which 6 were TCF Schools. The 82 participants were subjected to a grilling session of general knowledge quiz questions on subjects of science, geography, history, mathematics etc. After a grueling two-hour tussle between the contestants, 10 were declared victorious and awarded trophies, 2 of which were TCF students!



Proud participants holding their trophies

Daharki School Results - A standard raised

This year the first batch of students from TCF High School in Daharki gave their Grade IX Sukkur Board Exams and we are proud to announce that of the 34 students appearing for the examination, 25 students secured A and A1 grades while the remaining 9 students scored B grades.

The top three achievers of the school were:

Javaid Buriro-83%

Ali Mohammad Meher-81%

Mahinder Raj-80.9%

We are very proud of the achievements of these students and hope they continue to do us proud.



TCF School Engro Chemicals Pakistan Ltd. is located in the Ghotki district of Sindh where the literacy rate is less than 30% for adults aged 15 years and above.

TCF Crowned Tournament Champion

Girls from TCF Secondary Schools in Karachi participated in a Sports Gala on January 19, 2005, organized by the City District Government and PCCWD (Provincial Commission for Child Welfare and Development) which works under the Social Welfare Department, Government of Sindh. TCF Schools won 10 out of 18 prizes in this tournament and TCF was declared 'The Tournament Champion'.

..... The Courage to Move on



Ayesha Ghulam is a confident and happy eleven-year old who has many friends in school. Popular in her class, this talented little girl enjoys taking part in extra-curricular activities and recently stood third in the Inter School Quiz Competition. The only difficulty she faces is that during recess while all other children run around and play, she is forced to sit and watch. Paralyzed from waist down, Ayesha is unable to walk. What may seem the end of the world for most people is just a small hitch in the otherwise active life of this enthusiastic youngster. Her school work, passion for drawing and fun with friends makes Ayesha like all other children her age.

This however, was not the case a few years ago when she first joined TCF School Burki. Afraid of drawing attention to her physical irregularity, Ayesha would not participate in any class discussion or activity. However, in the humane environment which is the hallmark of TCF schools, she grew comfortable and with the attention of her teachers and kind understanding of her fellow students, Ayesha soon blossomed into the confident girl she is today.



Colgate Palmolive Art Competition

TCF primary school students participated in Colgate Palmolive's annual global art contest 2005, "My Bright Smile - My Bright Future". Open to children between the ages of 6 and 9 years, the contest invited young students to portray their vision of bright smiles.

This year 14,400 entries from all over Pakistan were received by the Colgate Head Office in Karachi where volunteers from leading art schools around the city short listed 112 entries that were passed on to the final judges. Out of the 112 entries short listed, 4 were of TCF students! The contestants had their artwork judged by the distinguished Riffat Alvi, Art Director, VM Art Gallery and Durriya Kazi, Head of Visual Department, Karachi University. TCF students showed great enthusiasm and worked with passion for this contest. They are proud recipients of Colgate gift packs and certificates. This achievement is a result of the cohesive efforts of our students, principals and area team.

Punjab Results

The Lahore Board of Intermediate and Secondary Education announced matric results on July 15, 2005. All TCF students have passed their board exams with 100% results for the second consecutive year! For TCF students to attain such a result is a noteworthy achievement since only 47% of the total population of students who took the Lahore Board exams this year passed.

Two years ago with 83%, Javeria Naz from TCF School Dr. Amiruddin Trust Campus, Minhalla Kalan, near Lahore was the TCF record holder in Punjab. Of the 40 students who appeared for the board exams from TCF this year, Farkhanda Aziz and Saba Hameed broke the record by securing 87% and 86% respectively!

Farkhanda, the highest scoring student, is a very special young girl whose inspiring story of having the courage to appear for her exams a day after her mother died of cancer was published in the TCF 2004 Annual Report. For a young girl like Farkhanda, residing in a small desolate rural village, to have such resolution and commitment for education gives us great pride. Farkhanda has now enrolled in the Lahore Government Girls College as a pre-medical student.

Unilever Computer Training

Unilever IT staff conducted a 3 day "Basic Computer Hardware and Software Workshop" for TCF computer teachers. Participants were taught how to install softwares such as Windows, MS Office, Norton Anti Virus and important drivers. Teachers were also shown how to assemble the various parts of a computer and different ways to troubleshoot problems with monitors, printer, hard drives, etc. This was the second computer workshop arranged by volunteers from Unilever; the first had covered basic computer usage that familiarized the participants with Microsoft Office and Urdu INPAGE software. TCF is very grateful to Unilever for conducting this excellent training.

..... Changing Futures, Educating Lives



After completing his matriculation in 2003 from TCF School Cowasjee Campus Mauripur, Asif Noor went on to do a two year Survey Engineering course from the Survey Institute Makarwala, Mianwali. He has now completed the course and is looking for a job in Karachi.

Asif joined TCF in grade six and fondly recollects the attention and guidance he received here. He feels that TCF changed his life completely. The encouragement and support he received from his teachers and principal has helped him become a motivated and focused young man.



Taking them Forward..

A Well Rounded Education

TCF prides itself on providing a well-rounded education. A special emphasis is therefore laid upon extra curricular activities. Students are encouraged to develop their oratory skills through tableaux and comedy skits which they present at celebrations such as Pakistan Day and Eid. With a play area in each school, students enjoy a variety of sports such as football, athletics and cricket. We believe that creative endeavors promote independent thinking and resourcefulness. To enhance creative talents, much emphasis is laid on art and art workshops where students learn to utilize low-cost material to create beautiful models and art pieces.



TCF children dressed up for a tableau

Besides this, every class goes on an educational field trip once a year. The idea behind this is to combine learning with fun.

Students tour all kinds of interesting and exciting places ranging from museums and zoos to banks and railway stations. After the visit, they have to prepare small reports on all that they saw and learnt.

Vocational Summer School

TCF builds schools in the country's poorest areas where the need for education is largely ignored in the torrent of other more pressing needs such as shelter, food and medicine. Most children need to seek livelihood early in life and are at times forced to abandon their education. To help our children continue their education, we initiated a vocational summer school last year where children were trained to master useful low cost skills. This year again a similar program was conducted for secondary school students where a variety of skills were imparted.

Handy hardware repair and maintenance techniques were taught along with computer software installation and usage. With the help of a professional carpenter, students learnt how to make useful items in wood such as jewellery & storage boxes, stools, card holders, etc. In the crafts workshop they learnt how to use cost-effective materials such as straws, coconut husk and tree leaves to make colourful baskets, mats etc. Beautician training is a flourishing low-cost vocation for females and with this in view a workshop was conducted by Bhabi's, the famous Beauty Salon, to train female students in a variety of grooming skills. Also, for Grade 10 students, basic Teacher Training and Accounts Clerk Training were introduced with the objective of training students for employment opportunities within TCF. The idea is to help college going students continue their studies by finding them part time work in TCF schools running afternoon shifts. Summer School 2005 was run by a group of very dedicated volunteers who hailed from diverse backgrounds.

Voices of our Volunteers



Hilla Talati holds a B.A. from the Dartmouth College and is currently pursuing a Masters degree in Business and International Development at The Harvard University.

"I really enjoyed teaching TCF kids and am amazed by how bright and motivated they are, and how eager they are to learn. I'll miss them when I go back to school!"



Ambreen Ali holds a BA in Business Administration from the University of Washington. She has been working in Seattle, Washington, USA, for a year as Program Assistant at CCS Youth Tutoring Program, an education-based NGO for low-income children. She worked for TCF this summer as an intern through Impak, an international NGO that provides service opportunities in Pakistan to people in US and UK.

"TCF is an experience that I have truly enjoyed because the children are so respectful and eager to learn!"

Mohsin Khan is doing his MBA in Marketing from the Institute of Business Administration (IBA), Karachi. Mohsin was a part of last year's summer school as well.



"I have never seen such hope and determination as I have seen in a TCF class-room. Some of these children have unbelievable ambition and studying here gives them the opportunity to achieve their goals. It has been an eye-opening experience."



The Way Forward

Childhood is the most crucial time for breaking the vicious poverty cycle. If young children have an early chance for education, their future lives are transformed for the better. Our education program is thereby focused on improving the formative years of a child and education is imparted from Kindergarten to Matriculation. Our first batch of Matriculation students graduated in the year 2003. These students have now given their Intermediate examinations and are all set to enter colleges in pursuit of a professional degree. Unlike other students their age, our children face a host of problems when deciding upon their career path. Firstly, even if they have support from their families, they have little or no guidance from them. Secondly, financial constraints narrow down most career opportunities and then a dearth of contacts and information limits all options.

To help our students at this crucial career junction, we undertook a pilot project to establish a "Placement Desk" at the TCF Head Office. Two volunteers were assigned the task of setting the groundwork for this desk. Hilla Talati, a student from Harvard University and Uzaib Saya, currently pursuing a Bachelors degree from William College set the wheels in motion and the project was taken forward by Sadaf Latafat, a student of Lahore University of Management Sciences (LUMS) and Saher Ashary, a student of the Riyadh American School.

The Placement Desk has a dual agenda. To serve as a counseling point for students so that they are motivated to continue their studies and seek professional degrees. Secondly informing the students of possible career options and assisting them to avail these options. The first step of the project involved developing a comprehensive information data base of students who have graduated from TCF to date. Once this was accomplished, counseling sessions were held with the students to guide them to their preferred career option. Alongside, efforts were made to secure possible scholarships and financial assistance. We are proud to inform that thanks to the efforts of these volunteers, we now have a basic funding to actively run this desk. We hope that more people come forward and help these students financially as well as providing opportunities for academic placements. If you wish to assist students through this project, please contact us at placement@thecitizensfoundation.org



Sadia Rehman an A grade student from TCF Secondary School, Crescent Steel Campus-III, Umer Maingal Goth Karachi, has just given her first year pre-medical examination from the Abdullah College for Women. Her father is a police officer and as both her parents suffer from health problems, there is very little money left to pay for education. Sadia works at a nearby Montessori and earns a meagre sum of Rs.1500/month. She uses this money to pay her own fees as well as the school fee of her younger siblings. Though her parents are not too keen on her continuing her studies, this bright and motivated girl hopes that with her hard work and perseverance she might be able to fulfill her dream of becoming a doctor.

Voices of our Volunteers



All the way from Holland, Sana Ahmad is a student at the International School of Amsterdam and is endeavoring to complete her IB (International Baccalaureate) Diploma.

"Volunteering here has been an opportunity like no other. The respect given to a teacher is none like I had experienced before. Also, I was inspired by the zeal of the students who were determined to fight against all odds to acquire education. I feel I have managed to learn a lot from students here."



Ashar Khan is an undergraduate student at the University of Pennsylvania in USA. This is his second summer at TCF.

"An enlightening and motivating experience finding out that the less privileged youth of Pakistan has the potential to reach dizzying heights."

Talha Ahmad graduated in 2004 with a Bachelors degree in Mathematics and Economics from University of Chicago. Talha is leaving for the US to pursue a Phd in Finance & Economics from the Columbia University.



"It's an awesome experience helping students who are intelligent but have not had the opportunities that we have had. The students are sincere and willing to learn. TCF is a great organization doing some awesome work. Kudos to all the volunteers, workers and donors."



Investing in our Teachers

TCF Teacher Training Program

While other schools provide a break for teachers during the summers, TCF holds a rigorous month-long training session to provide teachers with new skills, review of teaching methods, and an opportunity to exchange ideas. Nearly three months are devoted to designing and facilitating this training. On a national level, we train over 2,000 teachers during our annual summer program with nearly 50 workshops a day during the training period.



Throughout the year, head office staff visit the schools and meet with teachers to determine what skills and trainings would be most appropriate. *“To keep the trainings new for teachers who have been around for a while, we add new workshops every year; in this way, teachers are introduced to new concepts and we focus on their personal growth as well,”* explains Sarah Suhail, Assistant Manager, Evaluation, who helped create and manage this year’s training.

The training provides an opportunity for the teachers to meet one another and discuss different ways of presenting information and teaching the children. As Samira Azad, a teacher at TCF Primary School, Tomini Shipping Campus-I, Hassan Goth, Karachi, states, *“While in other schools teachers stay home and are given time off during the summer, we have training and we have no need to seek out courses on our own. We are able to discuss any problems or difficulties we may have in the classroom. The new methods we learn here we are able to apply to our classrooms and improve our teaching styles.”*



Workshops and sessions provided during the month-long training included Teaching English in English, Urdu Phonics, Motivating Students Through Rewards, Nursery Rhymes, Student Assessment, Lesson Planning and Presentation, Islam and Self Development and Lateral and Creative Thinking. Of these, Teaching English in English, Motivating Students Through Rewards and Islam and Self-Development were the new introductions.

Teaching English in English:

This year, after evaluating the English Language Teachers (ELT’s), a special curriculum was designed to encourage teaching English in English only instead of resorting to translation into Urdu. Andy Ryan, a volunteer with TCF, created the detailed English curriculum that he presented at this year’s training. Part of the training was a French lesson Andy gave the ELT’s in French, emphasizing to them that in order to teach a new language, one does not need to rely on another familiar language. The teachers thoroughly enjoyed this opportunity to learn a new language.

Motivating Students Through Reward:

The environment from which TCF children come makes motivation a key issue. Teachers are responsible for not only teaching the children but also creating a love for knowledge and the pursuit of education. Unlike children from economically well-off backgrounds, TCF children do not have support from tuition and parents in their education. Keeping this in mind, a special workshop was created to help teachers brainstorm new methods of motivating children.

At TCF, punishment is not allowed; positive reinforcement and motivation through reward are emphasized as a replacement for traditional methods of punishment.

Aster Sarwar, Acting Principal, TCF Primary School, Rehmat Campus, Hawkesbay ST-II, commented that the Motivation Training Workshop *“served as a reminder that when a student is weak, we have to be careful not to remind him or her of that weakness in front of other students. Our job is to motivate the students and point out their abilities. I tell the students that if you can succeed in one thing, then with effort you can be good at another.”*



Islam and Self-Development:

This workshop focused on enrichment of the teachers and an opportunity for them to reflect upon the moral aspects of the work they are doing through TCF. The course emphasized doing good work, reflecting daily upon the good deeds that one has done and being grateful for the opportunities one has been given in life. Unlike other trainings, the Islam workshop was not targeted at providing the teachers with a specific skill or method of teaching. This workshop emphasized providing education for the teachers and helping them become better human beings.

The value of the summer training TCF provides becomes clear; if like other schools, the teachers of TCF were going home during summer, this unique opportunity to reflect upon the previous year and gain new skills for the next would not exist. The teachers would not gain professional development and the students would have their education compromised.

Naseema Tajuddin, Principal at the TCF School HUBCO IPGD Campus, Hub, Balochistan, echoes the sentiment of most teachers at the trainings, *"TCF is very different. The method of teaching at TCF builds upon the foundation of the students. Our lessons, even at the KG level, emphasize upon making sure the students retain what they learn. At some schools students just copy the information and then forget about it. That is not the case here. TCF trains their teachers well. The summer training program and the training at the point of hiring are provided for free. The teachers benefit because they receive good training that is valuable."*



TCF Teacher Awards 2004

As a small token of appreciation for its valuable academic staff, TCF organized an Award Ceremony. Held in August, 2004 in Karachi and Lahore, this was a way for TCF to show appreciation to all those dedicated teachers and principals who work hard year-round to materialize TCF's mission of providing quality education. Awards were given out for Long Service, Excellent Results and 100% Attendance. The ceremony was greatly appreciated by our staff who felt motivated at the recognition.



Fostering Partnerships

Asma Salman, Principal of the TCF School, Minhalla near Lahore has been there since April 2000 when the gates of the school opened. She and the other teachers welcomed dozens of dirty and unkempt children of this small rural village who came with mothers barely literate themselves. The sight was depressing and de-motivating for all the staff. They all wanted to resign in the first week, says Asma. The staff had all come from government schools or well-reputed private schools in the urban areas where they had not witnessed this kind of deprivation and poverty.

Seeing the children Asma quickly realized that course material would have to be set aside for the time being. Schooling for these children began with lessons on basic hygiene. Another issue was bringing students to the same level of understanding. Girls who had completed eight years at the local government school begged to be taken in class six. Asma remembers that there was a time at the beginning that class six, seven, and eight were following the same curriculum. The girls needed to be brought to a uniform standard before proper studies could start. The difficulties were enormous, but the rewards even more. The teachers were rewarded by the excitement and gratitude shown by the children. Furthermore, they were also rewarded by their growing importance within the community itself. Parents, particularly mothers, of children started coming in to talk with the teachers about personal predicaments. All this had a great bearing on the performance of their girls. Asma increasingly took on a counseling role, which didn't look at all out of place in the circumstances. Involving the community and getting involved in the social life of the area has strengthened the school itself. The teachers have a sense of ownership, which the children also share and pass on to their parents. This is obvious from the fact that it is a student from Minhalla who scored the highest percentage in Matriculation.



NEWS FROM ALL OVER

Recognition for TCF is increasing every day as more and more people are becoming a part of our cause. Local and international agencies are lauding our efforts, journalists are writing features on how we are bringing about a positive change and slowly even the government is noticing the expanse of our programme. We hope that the momentum continues and in the years to come, TCF transforms from an organization into a national movement for an educated Pakistan...





Enthusiastic UK supporters trekking across the Hindukush Mountains to raise funds for TCF.



THE CITIZENS FOUNDATION

Increasing Recognition

TCF on Important International Platforms

This year we had the opportunity to present the cause of TCF on two very significant international platforms. On March 24, 2005 a presentation was arranged at the House of Commons, UK to provide thoughts, ideas and vision for the future of education. Our Chairman Ahsan Saleem was invited to read a paper on the efforts of TCF in the education sector. Other speakers at the event included BBC Correspondent Owen Bennett Jones, Chief Executive International Power PLC Vince Harris, MP Khalid Mahmood, Treasury Minister Steven Timms, MP Mohammed Sarwar, Minister for Racial Equality Fiona Mactaggart, Lord Nazir Ahmed and the Pakistani High Commissioner Dr Maleeha Lohdi. The event was attended by a number of keynote ministers, MPs and influential members of the British Pakistani community.



TCF Chairman at the House of Commons

On April 15 2005, TCF was invited to participate in a conference at The Woodrow Wilson Centre for scholars in Washington DC captioned "No Child Left Behind: the crisis in Pakistan's education system." This conference was aimed at sparking a constructive dialogue concerning the state of education in Pakistan. TCF Chairman Ahsan Saleem presented an impressive paper discussing the dire state of affairs that have plagued the Pakistani education system and TCF's pioneering role in bringing about a positive change. Among the notable guests present were State Bank Governor Ishrat Husain, Financial Advisor to Pakistan Prime Minister Salman Shah, former World Bank Vice President Shahid Javed Burki, as well as representatives from USAID and the World Bank.

Certification by PCP

After a Governance Rating of GR 8 by JCR VIS, another testimony of our operational integrity and transparency has been certification by the Pakistan Centre for Philanthropy (PCP), after a detailed desk review and field evaluation. We are proud to announce that TCF is amongst the highest scoring organizations certified by PCP to date.

PCP is an independent, non-profit, support organization, established in August 2001 to lead philanthropy promotion in Pakistan. Certification by PCP is a 'seal of good housekeeping', for organizations that exhibit exemplary standards in organizational effectiveness. This is based on an independent and objective evaluation of the NPO in critical areas of internal governance, financial management and programme delivery. The programme seeks to set sector-wide standards and creates an incentive for the adoption of 'best practice' in these areas. Certified organizations are promoted by PCP through its website and databases. This helps donors (individuals and corporate both local and overseas) and the government in identifying credible partners for social development. Certification also forms the basis for the NPOs to claim tax benefits from the Central Board of Revenue (CBR).

National Awareness

School children across Pakistan are studying TCF as an example of a good education system. An entire section has been devoted to TCF and its educational system in a book titled "Geography of Pakistan." This book is included in the course of Grade 9 students which is a part of the curriculum of many leading schools of the country.



Friends of TCF (UK)

During 2004/05 Friends of The Citizens Foundation (FTCF) had the good fortune of becoming the largest UK based charitable organization supporting education in Pakistan. To have achieved this within 3 years of inception is testimony to the hard work and dedication of our supporters and volunteers-to whom FTCF is indebted. Key highlights of the period included:

- ▶ Commitments received for the building of 7 primary schools
- ▶ Commitments received for the building of 1 secondary school
- ▶ Support from leading international financial institutions Dresdner Kleinwort Wasserstein, Merrill Lynch and Old Mutual for our work. In particular, we were indebted to Merrill Lynch for sponsoring the Bahar Polo event held in Lahore, a joint collaboration between FTCF and STCF Pakistan
- ▶ Donations (Zakat and Support a Child) which contributed to some 20 per cent of TCF's operating budget
- ▶ FTCF's largest and highest profile event, with over 800 supporters in attendance at the Royal Geographic society in London
- ▶ A TCF presentation to MPs, supporters and academics at the UK Parliament-The House of Commons

FTCF's strategy for the year remained to increase awareness of TCF in the UK and to raise the level of support under the Support a Child scheme. In both these areas we managed significant break-throughs in the period.

In October 2004, we organized a roadshow of events which included a number of events in London (including an art auction and high tea at The Dorchester), Bradford, Leicester, Nottingham and Newcastle. We are deeply grateful to Nasser Malik, Mr Mansoor, Amna Ahsannudin and Rumaisa Bashir for their outstanding commitment and event execution skills. Shortly thereafter, and as a result of the ground work during this road show, FTCF had its most successful Ramadan appeal with a number of large Zakat donations received.



FTCF presentation at the Royal Geographic Society



High Tea at The Dorchester

A number of other events and initiatives took place, most notably an 800 guest book reading function featuring renowned BBC travel writer Michael Palin and Pakistan enthusiasts and authors Ethan Casey and Kathleen Jamie. The Royal Geographic Society in London was filled to capacity with FTCTF supporters and the event marked a milestone in the ability of FTCTF to attract the highest quality personalities and highest number of supporters. We would like to extend our thanks to Michael Palin, Kathleen Jamie and Ethan Casey for their support and to Owen Bennett Jones (former BBC correspondent for Pakistan) for his efforts on our behalf during the year.

In the early summer of 2005, TCF was invited to present its work to UK MPs, supporters and academic think tanks at the UK Parliament-The House of Commons. TCF Chairman Ahsan Saleem presented the organizations accomplishments to a diverse audience.

FTCF also organized a comedy night at the famous Comedy Store at Leicester Square, bringing together a variety of leading UK comedians from different faiths and backgrounds to highlight the TCF cause. We also received support from Bassett House School, a prestigious Junior School in Holland Park, London, whereby children aged between 4 and 8 raised funds through events and TCF was named Bassett House's chosen charity for the year.

We have received unprecedented support, funding, media coverage and well wishers during the year. We are extremely grateful for this and the outlook for further growth in the UK is encouraging. However, all at FTCTF remain totally committed to, and focused on, one aim: that of helping deliver (on behalf of our many supporters) a quality education to the most deserving children.

The biggest thank you from FTCTF is reserved for the many children of Pakistan who we have the pleasure of supporting and who repay us with their dedication, commitment and hard work in their education.

Our Family Across the Atlantic

The Citizens Foundation, USA, established in 2002 as a tax-exempt organization, has seen momentous decisions this year. The TCF, USA Board was restructured; two of its founding members, Drs Afzal Ahmad and Shireen Ahmad completed their term of office and stepped down. On behalf of the entire TCF family, we would like to thank the Ahmads for their invaluable contribution.

TCF, USA welcomed three new members on its Board of Directors. Hammad Pirzada from Chicago (as Board Secretary), Amjad Noorani from San Francisco and Qasim Hanafi from New York.

In striving to establish itself as a professionally managed not-for-profit, TCF, USA this year established an office in New York with the office space generously donated by our long-time supporter DCD Capital. TCF, USA also hired an Executive Director to streamline operations and coordinate fundraising activities in the US. We welcome Najia Alavi to the TCF, USA team who can be contacted at Najia.Alavi@tcfusa.org.

Furthermore, TCF, USA has continued to grow impressively with Chapters emerging all across the country. In addition to strong chapters in Chicago, New York (Tri-State) and San Francisco, Bay Area (Northern California), we now have chapters forming in Washington D.C, South Florida, Los Angeles (Southern California), Detroit, Seattle, Dallas, Boston and Houston.

This year in review saw successful fund raising events organized in Chicago, the Bay Area and New York. To top it all, a superb gala was organized by "Friends of Pakistan" in Washington, D.C., benefiting TCF, USA where enough funds were raised to run 12 TCF Primary Schools. We thank "Friends of Pakistan" immensely for the great effort and hard work they put into this event.

As a group of donors, the Pakistani Alumni of University of Texas raised funds for a TCF School by mobilizing their fellow alumni. Congratulations to the UT Austin alumni for this effort. Another similar story is of a group in S. Florida who have committed to donate funds for a primary school. Sofia & Shahid Khan and Salma & Zakir Khan deserve kudos for this project.

On a more academic level, TCF's Chairman Mr. Ahsan Saleem was invited to the Woodrow Wilson International Center for Scholars in Washington D.C. to present a paper at their conference "No Child left behind: The crisis in Pakistan's Education System." Others participating in the conference were Ishrat Hussain, Gov. State Bank of Pakistan, Michelle Riboud, World Bank Manager for Education in Pakistan, Tariq Rahman from UC Berkeley, Salman Shah and Shahid Jawed Burki.

TCF, USA raised funds to support nearly 26 TCF Primary Schools in 2004 and future fund raising looks very promising in the years to come. Additionally, Mr. Muzamil of Pioneer Plastics in Minneapolis informs us he was so pleased with his visit to the two computer labs he donated in 2004, he would like to donate a third one. Another major donor this year was Stemcor, a steel company based in the UK with offices worldwide. Stemcor has donated funds for a school and pledged annual operating expenses as well. Thank you Stemcor for believing in us and caring for the children of Pakistan. Also, thank you FTFCF UK for their wonderful PR and media campaign, which led to Stemcor's donation in the US. To salute the hard work and dedication of the PEG TCF supporters in Saudi Arabia, TCF, USA donated \$12,500 for their school project in Gawadar. PEG is a group of Pakistani Executives working for various corporations such as Aramco and Pepsi etc. TCF, USA is extremely grateful to all its volunteers and supporters who work tirelessly in their chapters and communities to raise awareness of TCF's mission and highlight the role of education in our country's progress. Truly, without the support and hard work of our volunteers, given the geographic expanse of the US, TCF, USA would not be this successful in reaching out and advocating on behalf of the children of Pakistan.

For more information on TCF USA, please visit or contact us at info@tcfusa.org

Activities in the Emirates



TCF Directors with Lucy Monro and Soheil Semaan at the Donor Conference

The active support, assistance and generosity of countless friends and volunteers made the current year under review a truly memorable one for TCF in the United Arab Emirates. Our aim continues to be to raise awareness of the TCF cause amongst not only the sizeable Pakistani community in the UAE but also among Emiratis and other nationalities based in the Emirates.

Following are the main events and activities conducted by TCF-UAE this year:

- ▶ Held under the patronage of His Excellency Air Marshal (R) Syed Qaiser Hussein, the Ambassador of Pakistan to the Emirates, TCF-UAE organized a Supporters Conference and dinner at Le Royale Meridien in Abu Dhabi in March 2005.

The event, which proved a tremendous success, could not have been held without the enthusiastic support of TCF-Abu Dhabi stalwarts such as Mr. Noman Rashid and Dr. Azim, as well as TCF volunteers, many of whom came all the way from Dubai and Sharjah to help stage it.

The conference was attended by more than 200 guests, including prominent dignitaries and officials.

Mr. Ahsan Saleem, Chairman, and Mr. Mushtaq Chhapra, Director, TCF, briefed the audience on the progress and growth of TCF and updated them on the organization's future plans. Speaking on the occasion, the Pakistani Ambassador praised TCF for its effort and commitment and offered the help of the Embassy in aiding and supporting TCF activities in the UAE.

This was the second such supporters' conference held in the UAE in the last 12 months. In September last year, a similar event was organized in Dubai for TCF supporters. More than 250 guests attended the event and met with TCF founding directors Ahsan Saleem, Mushtaq Chhapra, Ateed Riaz and Haamid Jaffer who had flown in especially for the occasion. Writer and photographer Lucy Munro along with photojournalist Soheil Semaan, gave a slide presentation of their trip to TCF Schools in Sindh, Punjab and Balochistan.

- ▶ As part of the Duke of Edinburgh Award scheme, Emirates International School (EIS) in Dubai selected TCF as the sole recipient of its annual charity bazaar held earlier this year. More than 100 EIS students from a wide variety of backgrounds and nationalities, along with a group of dedicated teachers and parents, worked for over eight weeks to put the event together. The day proved to be a tremendous success with over 3,000 people attending the bazaar; the event was covered by the local print and electronic media.
- ▶ TCF also made its debut on the national FM airwaves when TCF Director Mr. Mushtaq Chhapra and TCF-UAE's Ms. Zehra Valliani were featured in an hour long programme on FM 89.1, one of the Emirates most popular 'radio channel'. The programme discussed TCF's education agenda and progress and proved very popular, with listeners calling in from as far as Qatar, Bahrain and Abu Dhabi to find out more about the organization and its Gulf and Pakistan activities. TCF was also featured in an hour and a half long live call-in show on Dubai Radio Network's Awaaz FM.
- ▶ With the generous support of the ARY TV network, TCF-UAE supporters Mr. Danish Mumtaz and Mr. Rizwan Farooq succeeded in creating and airing three new TCF advertisements over the past one year on the network. The new ads provided extensive exposure to TCF and were seen and appreciated as far as the USA, the UK and the entire Middle East. Along with a multinational crew from Australia, the UK, and the Middle East – that has been won over by the TCF cause – Mr. Danish Mumtaz is currently working on another new advertisement for TCF.
- ▶ Last year, TCF-UAE organized a trip for Ms. Malavika Kamaraju, the Editor of "Friday," magazine, Gulf News, to some of the TCF Schools in Karachi. Friday is the largest selling weekend magazine in the entire Gulf region. The trip resulted in an eight-page cover story on TCF that proved a tremendous help in raising TCF's awareness among the truly multinational population of the Emirates.
- ▶ Saharay Ladies Group, one of the TCF's oldest support-arms in the UAE, was recognized for its contributions at a special ceremony held in Dubai recently. Mr. Mushtaq Chhapra, TCF Director, along with TCF-UAE stalwarts Mr. Shahab Haider and Ms. Zehra Valliani, thanked members of the group for their generous contributions made over the past many years. Mr. Chhapra presented Saharay with a framed picture of the TCF Saharay Campus that has been built at Hawkes Bay, Karachi, as a result of funds collected by the group. Members of the group were presented with a certificate of appreciation for their support and commitment to TCF's cause. Saharay also generously pledged to support the yearly running cost of their campus.

A welcome addition to TCF's ever-growing band of supporters, Mr. Imran Mahmood has joined TCF-UAE as Liaison Officer to manage the Chapter's office, based at the Dubai Humanitarian City, TCF.

TCF-UAE would not have been half as successful in all its endeavors were it not for the fantastic help and assistance provided by the entire staff of the TCF Head Office. We wish to convey our sincere and special thanks to each and everyone of them and pray that all our combined efforts in the coming years prove successful in bringing hope and new opportunities to every single TCF child.



STCF Pakistan



Pakistan versus India match at the TCF Bahar Polo in March 2005

The Supporters of The Citizens Foundation (STCF) is a group of talented and dedicated volunteers working in Pakistan under the guidance and leadership of Chapter Vice-Chairpersons and founding members Nilofer Saeed and Bushra Afzal in Karachi; Vajiha Ibrahim and Fyza Aamir in Lahore and Samina Aziz and Asma Khan in Islamabad. These volunteers strive to plan and conduct a variety of interesting fundraising events which apart from generating awareness also stimulate our benefactors to contribute generously for the cause.

During the year under review many new sponsors joined our list of existing donors by supporting and participating in our events. Along with these, we are happy to report that we also received valuable commitments to build and support TCF Schools. From a cursory glance of TCF's Annual Report, it will be evident that we need a lot more to meet the ongoing expansion and beat the inflationary trends that put demands on us to spread out within all communities and seek a helping hand.

We are very appreciative of our members who take time out of their very busy schedules to selflessly offer their services on various committees. A mention of our very active Events Committee, ably led by the energetic and indefatigable Amna Zahid, must be made here. Working with the aim 'anything is possible when caring people work together,' our Events Committee comes up with a full and colorful calendar every year. Our calendar of events this year was as follows:

- ▶ August 2004: Piano Recital
- ▶ October 2004: Phantom of the Opera
- ▶ November 2004: Mystic Music in Karachi and Lahore
- ▶ January 2005: TCF Golf Tournament
- ▶ January 2005: iLMaTHON 2005
- ▶ March 2005: Bahar Polo Lahore



This medley of events helped us raise funds to run 42 TCF Primary Schools. All of this would not have been possible without the support of our generous donors.

Merrill Lynch and KASB Bank were sponsors of our biggest event of the year Bahar Polo. Other than that, Sui Southern Gas Co. (SSGC) and Crescent Steel and Allied Products, Bed & Bath, General Tyre and Rubber Co., Habib Bank Ltd., Pak Kuwait Investments, Thal Engineering, Faysal Bank, Crescent Leasing, Lakson Group and Meezan Bank supported our other events.

In particular we would like to acknowledge the encouragement given by the Italian Embassy in Islamabad and Consulate General in Karachi. We would also like to express our profound gratitude to the Pakistan Polo Association and GOC Lahore. Our special thanks to DHA Karachi without whose support a mega event like the iLMaTHON could not have materialized. We would also like to acknowledge the efforts of our small, but very effective and dedicated School Committee who worked relentlessly to motivate students to participate in the walk by getting their iLMaTHON Walker Forms sponsored. We take pleasure in appreciating the enthusiasm displayed by all the schools who participated in iLMaTHON and would especially like to mention those schools who raised more than Rs. 100,000:

- ▶ DHA 'O' and 'A' Level
- ▶ City School Darakhshan
- ▶ Beaconhouse School Gulshan and Jubilee Campus
- ▶ Convent of Jesus and Mary
- ▶ Karachi Grammar School
- ▶ Bayview Academy

We owe a huge debt to all our volunteers, who contribute their time and energy and work hard to turn these events into memorable ones. STCF Pakistan has grown and flourished as a result of their dedication and commitment to our cause.

When people give with pure intentions and an open heart, they truly share a part of themselves and this gift becomes more than a contribution for STCF. It becomes an inspiration for all of us!



Strides for Schools - iLMaTHON 2005

A Look at Some of our Schools



Vohra Campus, Mohalla Raichand, Chiniot



HUBCO-IPGD Campus, Hub-II, Balochistan



Austin Campus, Taiser Town, St-29, Sec 36F, Karachi



IIL Campus, Metroville Landhi, Karachi



Vohra Campus- I, Machar Colony, Karachi



Ghulam Faruque Campus, Nowshera, NWFP



Taxila Campus



Sapphire Campus-I, Baloch Goth, Karachi





Abu Dhabi Campus-II, Sumar Goth-IV, Karachi



Abdul Rashid Khan Campus, Hair, Lahore



Khalid Farooq Campus, Chak 242-Dichkot, Faisalabad



Engro Campus, Daharki



Ch. Ali Akbar Campus, Chak-58, Faisalabad



Crescent Steel Campus-III, Umar Maingal Goth, Karachi

We would like to express our gratitude to two firms of architecture without whose support TCF would not have been able to build its well-designed schools with such efficiency

Farid Ahsanuddin
Pioneer Consultants
7-D, Kashmir Egerton Road
Lahore-54000
Tel: (042) 6360180

M/s. Arshad Shahid Abdulla (Pvt.) Ltd.
Central Hotel Building
Merewether Road
Karachi
Tel: (021) 5652211-4

Increasing Outreach



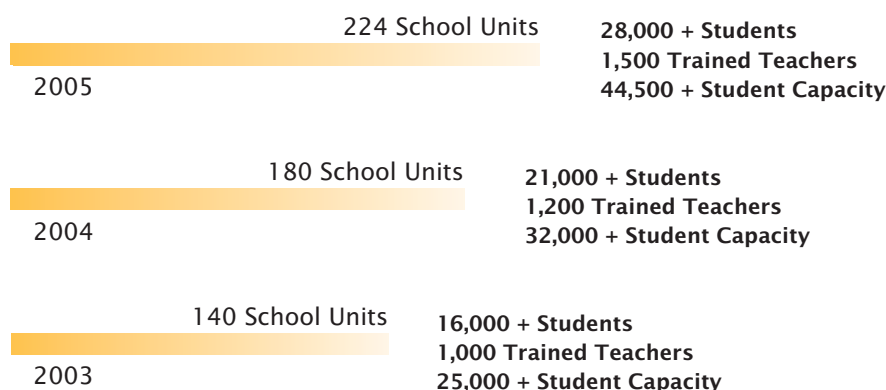
Sind*	Punjab*	Balochistan*	NWFP*
<ul style="list-style-type: none"> Karachi Jhangesar/Ketty Bandar Kotri Daharki 	<ul style="list-style-type: none"> Lahore Faisalabad Islamabad Khushab Rawalpindi Taxila Multan Thatta Gurmani Jhang Chiniot Jauhaurabad Mangowal Shahpur Khanewal Muzzafargarh Bhalwal Dichkot Sheikhpura Jauhaurabad 	<ul style="list-style-type: none"> Gawadar Hub 	<ul style="list-style-type: none"> Nowshera

*In no particular order



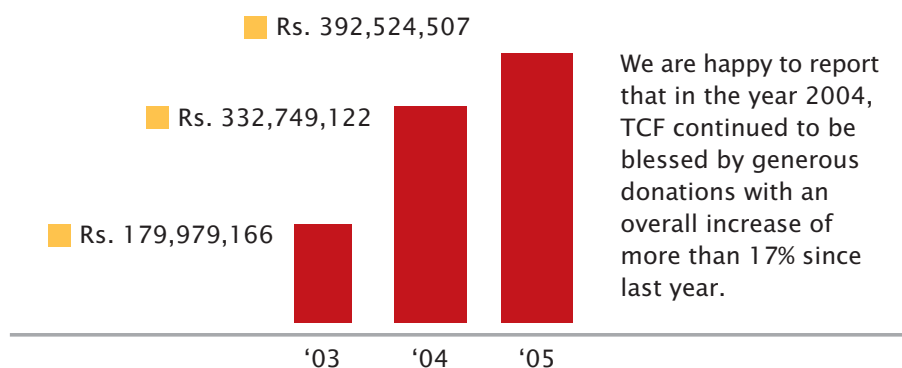
Highlights and Trends

Program Growth:



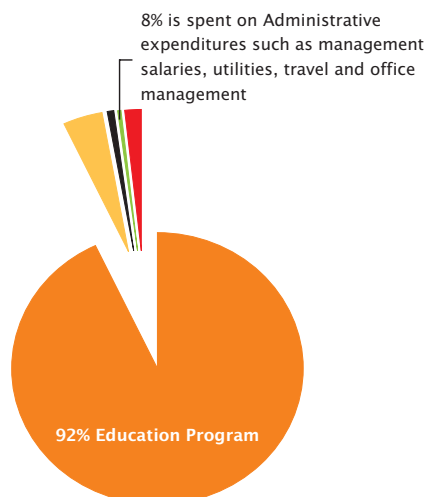
TCF Schools are growing at the rate of 1 school a week. When a TCF school starts, admissions are taken in pre-primary and classes 1 & 2. Therefore, initially, the capacity of TCF Schools is more than enrolment. However, in a few years, classes fill up and soon the need for another school arises in the area.

Revenue Growth:



We are happy to report that in the year 2004, TCF continued to be blessed by generous donations with an overall increase of more than 17% since last year.

Expense Pattern:



100% of TCF's funding comes from private sources, including individuals, corporations and foundations. All donations received through Build-a-School scheme are directly utilized for building and furnishing the schools whereas all other income goes towards program management. We contain our administrative expenditure within 8% of our income and utilize the remaining 92% for the Education Program. All fundraising expenditure is managed by our support chapters who conduct events and activities. The proceeds from these activities are given to TCF after deducting incurred expenses.



FINANCIALS

2005

The most significant numbers,
are the number of lives changed...





The streets of Machhar Colony, one of the poorest and most neglected slums of Karachi. TCF has built two schools in this area.



THE CITIZENS FOUNDATION

Auditors' Report to the Member

We have audited the annexed balance sheet of The Citizens Foundation (a company limited by guarantee) as at 30 June 2005 and the related income and expenditure account and 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.

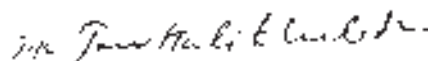
We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, 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 accounts 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 Foundation's 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 and cash flow statement 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 2005 and of the results of its operation 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.

Karachi: 22nd September, 2005



Taseer Hadi Khalid & Co.

Chartered Accountants



Balance Sheet

for the year ended 30 June 2005

	Note	2005	2004
GENERAL FUND	3	<u>837,310,252</u>	<u>630,948,579</u>
REPRESENTED BY:			
TANGIBLE FIXED ASSETS			
Operating fixed assets – at cost less accumulated depreciation	4	656,374,127	498,846,732
Capital work in progress	5	<u>80,709,796</u>	<u>54,683,863</u>
		737,083,923	553,530,595
LONG TERM INVESTMENTS	6	46,235,942	15,500,000
LONG TERM DEPOSITS		5,704,633	3,390,930
CURRENT ASSETS			
Stock of uniforms, text books and exercise copies	7	316,047	2,115,652
Advances, deposits and prepayments	8	8,913,264	6,700,169
Accrued income and other receivables	9	3,513,649	2,467,107
Short term investments	10	61,748,340	500,000
Cash and bank balances	11	<u>27,781,759</u>	<u>78,034,079</u>
		102,273,059	89,817,007
CURRENT LIABILITIES			
Current maturity of liabilities against assets subject to finance lease	12	(13,590,039)	(9,518,967)
Accrued expenses and other liabilities	13	<u>(13,729,597)</u>	<u>(7,735,095)</u>
		(27,319,636)	(17,254,062)
		74,953,423	72,562,945
LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE	12	<u>(26,667,669)</u>	<u>(14,035,891)</u>
		<u>837,310,252</u>	<u>630,948,579</u>

Rupees

The annexed notes 1 to 21 form an integral part of these financial statements.


CHIEF EXECUTIVE


DIRECTOR

Income & Expenditure Account

for the year ended 30 June 2005

	Note	2005	2004
INCOME			
Donations	14	392,524,507	332,749,122
Profit on investments		4,615,388	1,745,838
Profit on bank accounts		551,432	378,177
Gain on revaluation of investment		235,942	-
Exchange gain		1,782,022	-
Gain on disposal of fixed assets		431,279	492,428
		400,140,570	335,365,565
EXPENDITURE			
Scholarships / subsidies to TCF schools	15	82,374,584	57,891,701
Teachers' training		5,427,436	5,048,419
Vehicle running and maintenance		9,256,551	7,106,642
Repairs and maintenance		2,569,536	1,501,733
Students' diet supplement		-	253,200
Salaries and benefits	20	24,973,329	13,598,836
Travelling and conveyance - staff		1,294,233	1,133,235
Utilities and communication		1,620,522	1,211,693
Insurance		1,485,428	1,008,593
Printing and stationery		3,257,475	2,350,555
Depreciation	4	54,703,453	38,705,356
Office rent		3,939,061	2,363,698
Professional charges		202,186	62,820
Bank charges		162,329	95,627
Miscellaneous		109,329	-
Financial charges - leasing		2,403,445	2,142,435
		193,778,897	134,474,543
		206,361,673	200,891,022
Transferred to general fund		206,361,673	200,891,022
		-	-

Rupees

The annexed notes 1 to 21 form an integral part of these financial statements.


CHIEF EXECUTIVE


DIRECTOR

Cash Flow Statement

for the year ended 30 June 2005

	Note	2005	2004
CASH FLOW FROM OPERATING ACTIVITIES			
Cash generated from operations	19	264,062,978	239,783,668
Financial charges paid – leasing		(2,399,628)	(2,239,153)
Net cash inflow from operating activities		261,663,350	237,544,515
CASH FLOW FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(208,558,308)	(172,863,906)
Sales proceeds on disposal of fixed assets		455,200	495,300
Investment (made) / encashed		(91,748,340)	272,100
Profit received on investments		3,269,025	1,756,250
Long term deposits		(2,313,703)	(348,030)
Net cash outflow from investing activities		(298,896,126)	(170,688,286)
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of liabilities under finance lease		(13,019,544)	(8,416,818)
Net (decrease) / increase in cash and cash equivalents		(50,252,320)	58,439,411
Cash and cash equivalents at beginning of the year		78,034,079	19,594,668
Cash and cash equivalents at end of the year	Rupees	27,781,759	78,034,079

The annexed notes 1 to 21 form an integral part of these financial statements.


CHIEF EXECUTIVE


DIRECTOR

Notes to the financial statement

for the year ended 30 June 2005

1. 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 primary and secondary schools as well as for operation of schools. These donations are made by organizations, institutions and individuals.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of compliance

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan and the requirements of the Companies Ordinance, 1984. Approved accounting Standards comprise of such International Accounting Standards as notified under the provisions of the Companies Ordinance, 1984. Wherever the requirements of Companies Ordinance, 1984 or directives issued by Securities and Exchange Commission of Pakistan differ with the requirements of these standards, the requirements of the Companies Ordinance, 1984 or the requirements of the said directives take precedence.

2.2 Accounting convention

These accounts have been prepared under the historical cost convention.

2.3 Income recognition

Donations received in cash or in kind are recognised on receipt basis. Individual items of receipts and expenditure pertaining to various schools are not incorporated in these accounts. However, net deficit of the schools is reimbursed by the Foundation and is shown as "Scholarship / subsidies to TCF Schools".

Income on deposit accounts and term deposits receipts are recognised on an accrual basis.

2.4 Investments

Held to maturity

Held to maturity investments are stated at amortised cost.

Available for sale

Available for sale investments are stated at fair value. The fair value of these investments are determined on the basis of year end bid prices.

2.5 Borrowings under leasing arrangements

The Foundation accounts for lease obligations by recording the assets and the corresponding liability there against determined on the basis of discounted value of total minimum lease payments. Financial charge is recognised in the income and expenditure account using the effective mark-up rate method.



2.6 Tangible fixed assets and depreciation

Owned

Fixed assets including all additions are stated at cost less accumulated depreciation and impairment losses, if any. Depreciation is calculated so as to write off the assets over their expected economic lives under the straight-line basis at rates indicated in note 4 to these financial statements.

A full year's depreciation is charged on assets acquired during the year, whereas no depreciation is charged in the year of disposal.

Gain or loss on disposal of fixed assets are included in income and expenditure account currently.

Expenditure incurred to replace a component of an item of fixed assets that is accounted for separately, is capitalised. Other subsequent expenditure is capitalised only when it increases the future economic benefit embodied in the item of fixed assets. All other expenditure is recognised in the income and expenditure account as and when expense is incurred.

Leased

Leases in terms of which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. Assets acquired by way of finance lease are stated at an amount equal to the lower of its fair value and the present value of minimum lease payments at the inception of the lease less accumulated depreciation and impairment losses, if any. Lease payments are accounted for as described in note 2.5 to these financial statements.

2.7 Capital work in progress

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

2.8 Stock

Stock of uniforms, text books and exercise copies are stated at cost. The cost of uniforms, text books and exercise copies are determined on the weighted average basis and includes expenditure incurred in acquiring / bringing these items to their existing location and condition.

2.9 Provisions

A provision is recognised in the balance sheet when the Foundation has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

2.10 Foreign currency transactions

Foreign currency transactions during the year are translated into Pak. Rupees at exchange rates prevailing on the date of transaction. Assets and liabilities in foreign currencies at the balance sheet date are translated into Pak. Rupees at the rates of exchange prevailing on the balance sheet date. Exchange differences, if any, are included in income and expenditure account currently.



2.11 Off-setting

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

3. GENERAL FUND

	2005	2004
Opening balance	630,948,579	430,057,557
Transferred from income and expenditure account	206,361,673	200,891,022
	837,310,252	630,948,579

Rupees

4. OPERATING FIXED ASSETS - at cost less accumulated depreciation

		COST			Rate (%)	DEPRECIATION			Written down value as at 30 June 2005
		As at 1 July 2004	Additions/ (deletions)	As at 30 June 2005		As at 1 July 2004	For the year / (deletions)	As at 30 June 2005	
Owned									
Land	4.1	96,138,815	9,345,930	105,484,745	-	-	-	-	105,484,745
School building		407,294,528	145,290,697	552,585,225	5	65,717,908	27,629,261	93,347,169	459,238,056
Furniture and fittings		37,207,992	14,285,801	51,493,793	10	12,049,202	5,149,379	17,198,581	34,295,212
Vehicles		32,064,130	6,836,775	38,900,905	20	18,873,105	5,227,352	24,100,457	14,800,448
Office and other equipments		6,873,903	6,773,172 (182,900)	13,464,175	20	4,297,345	2,639,401 (158,979)	6,777,767	6,686,408
Leased									
Vehicles		40,568,033	29,722,394	70,290,427	20	20,363,109	14,058,060	34,421,169	35,869,258
30 June 2005		620,147,401	212,254,769 (182,900)	832,219,270		121,300,669	54,703,453 (158,979)	175,845,143	656,374,127
30 June 2004		462,113,889	160,002,112 (1,968,600)	620,147,401		83,822,311	38,705,356 (1,226,998)	121,300,669	498,846,732

4.1 This includes land acquired by the Foundation as well as received as donations. The donated plots of land are stated at their approximate market value determined by the management of the Foundation at the time when donations were received.

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

5. CAPITAL WORK IN PROGRESS

	2005	2004
Balance at 1 July	54,683,863	35,057,033
Expenditure incurred during the year	171,316,630	121,042,840
	226,000,493	156,099,873
Transferred to school buildings during the year	(145,290,697)	(101,416,010)
	80,709,796	54,683,863

Rupees

5.1 This represents civil works and related cost for the construction of school buildings.

6. LONG TERM INVESTMENTS

		2005	2004
<i>Held to maturity</i>			
Bank Al Habib	6.1	15,500,000	15,500,000
United Bank Limited	6.2	10,000,000	-
<i>Available for sale</i>			
United Money Market Fund		20,343,442	-
BSJS Mutual Fund		392,500	-
	<i>Rupees</i>	<u>46,235,942</u>	<u>15,500,000</u>

6.1 These represent investment in 5 years bank term deposit receipts and carry profit rate of 11% per annum and will mature on 27 March 2007.

6.2 These represent investment in 8 years bank term deposit receipts and carry profit rate of 1.35% plus trading yield of 8 years PIB per annum and will mature on 15 March 2013.

7. STOCK OF UNIFORMS, TEXT BOOKS AND EXERCISE COPIES

		2005	2004
School uniforms		234,575	411,535
Text books		81,472	205,174
Exercise copies		-	1,498,943
	<i>Rupees</i>	<u>316,047</u>	<u>2,115,652</u>

8. ADVANCES, DEPOSITS AND PREPAYMENTS - considered good

		2005	2004
Advances to staff		524,716	-
Advances to suppliers		2,622,475	3,977,077
Mobilisation advance to contractors		2,453,575	337,254
Current maturity of long term deposits		752,400	965,503
Prepaid expenses		2,560,098	1,420,335
	<i>Rupees</i>	<u>8,913,264</u>	<u>6,700,169</u>

9. ACCRUED INCOME AND OTHER RECEIVABLES - considered good

		2005	2004
Accrued income on investments		1,793,058	446,695
Tax deducted at source		1,323,626	1,141,544
Other receivables		396,965	878,868
	<i>Rupees</i>	<u>3,513,649</u>	<u>2,467,107</u>

10. SHORT TERM INVESTMENTS

		2005	2004
Bank Al-Habib		-	500,000
Pak Oman Investment Bank Limited	10.1	10,275,000	-
Crescent Standard Investment Bank Limited	10.2	51,473,340	-
	<i>Rupees</i>	<u>61,748,340</u>	<u>500,000</u>



- 10.1 These represent investment in bank term deposit receipts and carry profit rate of 7.5% per annum and will mature on 14 July 2005.
- 10.2 These represent investment in bank term deposit receipts and carry profit rate ranging from 5.0% to 10.0% per annum and will mature on 1 July 2005 to 2 June 2006.

11. CASH AND BANK BALANCES

	2005	2004
Cash in hand	491,161	368,254
Cash at bank:		
- current account	4,481,152	48,586,531
- deposit account	22,809,446	29,079,294
	27,290,598	77,665,825
	<u>27,781,759</u>	<u>78,034,079</u>

Rupees

12. LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE - secured

Present value of minimum lease payments:		
Balance as on 1 July	23,554,858	26,031,676
Assets acquired on lease during the year	29,722,394	5,940,000
	53,277,252	31,971,676
Repayments during the year	(13,019,544)	(8,416,818)
	40,257,708	23,554,858
Current maturity - shown under current liabilities	(13,590,039)	(9,518,967)
	<u>26,667,669</u>	<u>14,035,891</u>

Rupees

	2005			2004		
	Minimum lease payment	Financial charges	Principal outstanding	Minimum lease payment	Financial charges	Principal
Not later than one year	15,917,890	2,327,851	13,590,039	10,983,930	1,464,963	9,518,967
Later than one year but not more than five years	28,665,776	1,998,107	26,667,669	14,901,276	865,385	14,035,891
	44,583,666	4,325,958	40,257,708	25,885,206	2,330,348	23,554,858
Current portion	(15,917,890)	(2,327,851)	(13,590,039)	(10,983,930)	(1,464,963)	(9,518,967)
Liabilities against asset subject to finance lease	<u>28,665,776</u>	<u>1,998,107</u>	<u>26,667,669</u>	<u>14,901,276</u>	<u>865,385</u>	<u>14,035,891</u>

Rupees

Present value of minimum lease payments has been discounted by using financing rate ranging from 12.5% to 7.5% per annum (2004: 13.24% to 7.6%). Title to the assets acquired under the leasing arrangements are transferable to the company on completion of lease period and adjustment of deposit (residual value) of Rs. 6.081 million (2004: Rs. 4.082 million) paid against these liabilities. Repair and insurance costs are to be borne by the Foundation.



13. ACCRUED EXPENSES AND OTHER LIABILITIES

		2005	2004
Accrued expenses		4,831,200	3,584,837
Accrued mark-up on finance leases		248,801	244,984
Security deposit - Teachers	13.1	3,648,116	-
Retention money		4,802,213	3,839,964
Tax deducted at source		199,267	65,310
	<i>Rupees</i>	<u>13,729,597</u>	<u>7,735,095</u>

- 13.1 These represent deposits obtained from teachers in order to discourage them from leaving TCF without noticing. These deposits are utilized in training of teachers.

14. DONATIONS

		2005	2004
Donations received		397,261,379	335,361,263
Fund raising expenses		(4,736,872)	(2,612,141)
	<i>Rupees</i>	<u>392,524,507</u>	<u>332,749,122</u>

- 14.1 The amount received for Build-a-school, Build-a-classroom land gifted and money received for buying land are categorized under the head "Donations for School Land and Buildings" amounting to Rs. 224,523,456 (2004: Rs. 223,596,757). All donations for school land and building include cost of construction of a school building and furniture required thereof. All other donations received under different heads are categorised as "Donations for School Operations" amounting to Rs. 172,737,923 (2004: Rs. 111,764,506).

15. SCHOLARSHIPS / SUBSIDIES TO TCF SCHOOLS

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

16. TAXATION

No provision for taxation has been made in the accounts as the Foundation enjoys exemption from taxes under clauses (60) and (92) of the Second Schedule to the Income Tax Ordinance, 2001.

17. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

Financial assets of the Foundation include investments, advances, deposits, prepayments, other receivables and cash and bank balances. Financial liabilities include liabilities against assets subject to finance lease, accrued expenses and other liabilities.

Interest / mark-up rate risk

Effective rate of return on investments are disclosed in note 6 and 10 of the financial statements. Other financial assets do not carry interest / mark-up. Effective mark-up rates for liabilities against assets subject to finance lease are disclosed in note 12 of the financial statements. Other financial liabilities of the Foundation do not bear any interest / mark-up.



Fair value

The carrying amounts of all the financial instruments reflected in the financial statements approximate their fair value.

Credit risk

Credit risk represents the accounting loss that would be recognised at the reporting date if counter parties failed completely to perform as contracted. The Foundation endeavours to mitigate its credit risk by investing in recognised securities and monitoring the credit worthiness of all counter parties.

18. RELATED PARTY TRANSACTIONS

- 18.1** Arshad Shahid Abdulla (Private) Limited, in which Mr. Arshad Abdulla (Director of the Foundation) is also a director, has provided voluntary architect consultancy services to the Foundation during the year.
- 18.2** During the year long term investment amounting to Rs. 500,000 was made through Javed Omer Vohra & Company Limited in which Mr. Mushtaq Chhapra (Director of the Foundation) is also a director.
- 18.3** The Foundation has a PLS account in Crescent Commercial Bank Limited in which Mr. Ahsan Saleem (Director of the Foundation) is also a director.

19. CASH GENERATED FROM OPERATIONS

	2005	2004
Excess of income over expenditure	206,361,673	200,891,022
Adjustments for non cash charges and other items:		
Depreciation	54,703,453	38,705,356
Profit on investments	(4,615,388)	(1,745,838)
Gain on revaluation of investment	(235,942)	-
Gain on sale of fixed assets	(431,279)	(492,428)
Financial charges	2,403,445	2,142,435
Working capital changes	5,877,016	283,121
	<u>264,062,978</u>	<u>239,783,668</u>

19.1
Rupees

19.1 Working capital changes

	2005	2004
Stock	1,799,605	2,524,948
Advances, deposits and prepayments	(2,213,095)	540,497
Accrued income and other receivables	299,821	(643,301)
	<u>(113,669)</u>	<u>2,422,144</u>
Increase / (decrease) in current liabilities		
Accrued expenses and other liabilities	5,990,685	(2,139,023)
	<u>5,877,016</u>	<u>283,121</u>

Rupees

20. SALARIES AND BENEFITS

20.1 Chief Executive Officer's Remuneration

	2005	2004
Salaries and allowances	250,000	-
Utilities	-	-
House rent	-	-
Domestic servant salary	-	-
Leave encashment	-	-
Medical expenses	-	-
Entertainment allowance	-	-
	250,000	-
	<i>Rupees</i>	

The Foundation also provides free use of company maintained car. Chief Executive started providing services to the Foundation from 1 June 2005.

21. GENERAL

21.1 These financial statements were authorised for issue in the Board of Directors meeting held on 22 September, 2005.

21.2 Total number of employees as at 30 June 2005 was 2,380 (2004: 1,955).


CHIEF EXECUTIVE


DIRECTOR

Notice of Annual General Meeting

Notice is hereby given that Annual General Meeting (AGM) of The Citizens Foundation will be held at 1400 hours on 27 October 2004 at 7th Floor, NIC Building, Abbasi Road, Karachi.

1. To confirm the minutes of the Annual General Meeting held on 18 October 2004.
2. To receive, consider and approve the audited accounts of the company for the period ended 30 June 2005 together with the Directors and Auditors report thereon.
3. To appoint Auditors and fix their remuneration for the year 2005-2006. The present auditors M/s. Taseer Hadi Khalid & Company, Chartered Accountants, retire and being eligible, offer themselves for re-appointment.
4. To transact any other business with the permission of the Chair.

By Order of the Board



Col (R) Syed Qaiser Hussain Rizvi
Company Secretary

Karachi: 03 October, 2005



Pledge Form

I hereby pledge to The Citizens Foundation:
(Please tick the appropriate category)

- | | |
|---|-----------------------------------|
| <input type="checkbox"/> Build-a-school (Primary)* | Rs. 5,000,000 |
| <input type="checkbox"/> Build-a-school (Secondary)* | Rs. 10,000,000 |
| <input type="checkbox"/> Build-a-classroom* | Rs. 700,000 |
| <input type="checkbox"/> Support-a-school (Primary) | Rs. 800,000/yr |
| <input type="checkbox"/> Support-a-school (Secondary) | Rs. 1,400,000/yr |
| <input type="checkbox"/> Educate-a-child | Rs. 8,400/yr
(or Rs 700/month) |
| <input type="checkbox"/> School Van | Rs. 450,000 |
| <input type="checkbox"/> Computer Lab (Secondary) | Rs. 325,000 |
| <input type="checkbox"/> Education Fund | Any amount |
| <input type="checkbox"/> Zakat Fund | Any amount |

To be Paid:

- ☐ Monthly ☐ Annually ☐ One-time

Through:

- ☐ Cheque ☐ Cash ☐ Credit Card

For:

- ☐ Ongoing Basis ☐ Two Years ☐ One Year

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

For donors wishing to pay through credit cards

I hereby authorize TCF to deduct Rs. _____
(Please enter full year amount)

from my ☐ Visa ☐ Master

Credit Card No.

□ □ □ □ - □ □ □ □ - □ □ □ □ - □ □ □ □

(and thereafter renewed cards)

Expiry Date □ □ / □ □
 month year

In case of change of credit card details, including card expiry, kindly send us a letter communicating new card information.

* These rates are based upon construction costs in Karachi and Lahore for the 2005-2006 build cycle. Other locations and years may need cost review and customized project costing.

Name _____

Email _____
(Please fill so that TCF newsletters can be emailed to you)

Company _____ Designation _____

Address _____

_____ City _____

Country _____ Post Code _____

Tel (Off) _____ Tel (Home) _____

Mobile _____ Fax _____

Mail me donation receipts

- ☐ Never ☐ Annually (in June) ☐ Monthly

Signature

Date

The recognition of your donation should be in the name of

Thank you for your support

The accounts of TCF are audited by M/s Taseer Hadi Khalid & Co and will be available on request. Donations to TCF are approved for tax deduction U/S 2(36)(c) of the income tax ordinance, 2001, valid upto 30-06-2007.

To make your donation, please complete this form and mail it to:




THE CITIZENS FOUNDATION

7th Floor, NIC Building Abbasi Shaheed Road, Karachi 75530.

Tel: (9221) 111-823-823, Fax: (9221) 5653173

Email: citizens@cyber.net.pk



Five year old Fizza, a KG student at the TCF Primary School, Shirin Sultan Dossa Campus-XV, Garden West-2, Karachi, loves listening to stories. Now, with the help of her teachers at school, she is learning how to read herself. And nothing makes this little girl happier. Her father, a petty police officer makes very little money. Living in the expensive metropolis of Karachi, this family has hardly enough to make ends meet let alone send children to school. TCF's education program helps families afford quality schooling for their children.

Fizza dreams of becoming a school teacher one day. TCF works hard to give children like Fizza a chance to realize their dreams.

How you can help us change lives...

Cheques or bank drafts:

With cheques or bank drafts, please communicate your address & donation details through a letter sent to the following addresses:

Pakistan:

Check Payable to: The Citizens Foundation
Mailing Address: 7th Floor, NIC Building,
Abbasi Shaheed Road,
Karachi-75530.

UAE:

Check Payable to: The Citizens Foundation
Mailing Address: P.O. Box 1081, Sharjah.

UK:

Check Payable to: Friends of The Citizens Foundation
Mailing Address: 9 Camden Road, London, E11 2JP.

Canada:

Check Payable to: The Citizen's Foundation
Mailing Address: 55-3176 Ridgeway Drive,
Mississauga, ON L5L5S6, Canada.

USA:

Check Payable to: The Citizens Foundation, USA
Mailing Address: 100 TriState International,
Suite 128, Lincolnshire, IL 60069



Deposits or direct bank transfers:

Deposits or direct bank transfers can be made to our accounts in any of the below mentioned countries.

Pakistan:

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

Title of Account: The Citizens Foundation
Bank: Bank Al-Habib Ltd., Shara-e-Faisal Branch, Karachi.
Account No.: (PKR) 08105211901-6 (Zakat Funds only)
Account No.: (USD) 41805382275-5
Swift Code: PAHLPKKA



UAE:

Title of Account: The Citizens Foundation

Bank: Habib Bank AG Zurich, Main Branch, Beniyas Square, P.O Box: 3306, Diera, Dubai.

Account No.: (UAE Dirhams) 20430-105-266861

Account No.: (USD) 20430-333-266861

Swift Code: HBZUAEAD

UK:

Title of Account: Friends of the Citizens Foundation

Bank: HSBC Bank plc, Leadenhall Street Branch, London, EC3 3DB

Sort No: 40-04-12

Account No.: 71415255

Name of Charity: Friends of the Citizens Foundation

Charities Commission no. 1087864

CANADA:

For deposits or direct bank transfers

Contact: Shahzad Alam

Tel: (905) 502 8328

alamshahzad@gmail.com

USA:

Title of Account: The Citizens Foundation, USA

Bank: Citibank

Account No.: 800477867

Routing No.: 271070801

For Online Donations:

www.thecitizensfoundation.org

using your VISA/MASTER credit card

Tax Exemption

Donations to TCF are approved for tax deduction U/S 2(36)(c) of the income tax ordinance, 2001, valid upto 30-06-2007.

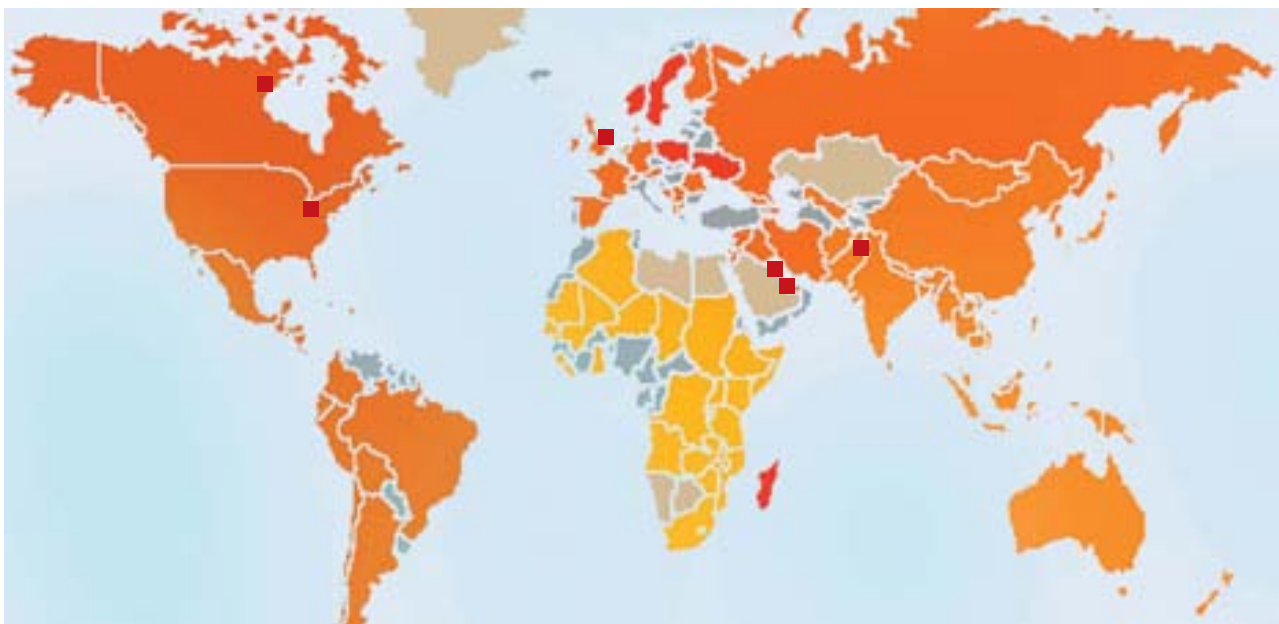
All donations are tax deductible for UK basic and higher rate taxpayers under the Gift Aid Scheme

TCF, USA is a tax-exempt organization under section 501(c)(3) of the internal revenue code. Therefore, all donations are tax deductible and the tax identification no. is 41-2046295. If you wish to receive a letter acknowledging your donation for tax purposes, please include your mailing address.

In compliance with IRS regulations, the Board of Directors of "The Citizens Foundation, USA" maintains complete discretion over allocation of gifts to TCF.



Our Contact People



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