

embracing **diversity**



THE CITIZENS FOUNDATION
TCF Annual Report 2006

It is our dream
that the children of this nation get
an opportunity in life.

An opportunity to realize their potential,
to prove their worth and above all,
to become better human beings.

Education can ensure
a better quality of life for all children and
a better world for all people.

At TCF, we aim to get children off the streets
and into schools, ensure that they stay in school
and are equipped with the basic tools they need
to succeed in life.



THE CITIZENS FOUNDATION

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Students from a school in rural Punjab enjoying their time in school. TCF now has a nationwide presence with schools in every single province of Pakistan, each with a unique culture of its own.

The concept of diversity
encompasses acceptance and respect.
It implies recognizing the uniqueness,
which defines each human being
and makes them an individual.



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Young girls of Jhangesar in their traditional attire, sit outside one of the many TCF Primary Schools opened in this neglected district of interior Sindh. The waiting lists for admissions in this area are overwhelming. Located near the historic port of Bhambore, Jhangesar is a small fishing village on the Indus Delta dating back thousands of years.

Pakistan is a kaleidoscope of people.
The land on which it was formed has been
host to civilisations dating back five thousand years.
Its cities flourished before Babylon.
Its people practiced the art of good living and citizenship
in towns like Mohenjodaro and Harappa
long before the celebrated Greek civilisation.
Today, Pakistan is a medley of diverse ethnicities and cultures
formed through legacies of Persians, Turks, Greeks,
Arabs, Huns, Mongols and the British advancing through its land.
It's people and culture bear deep imprints
of its momentous past and dynamic antiquity.



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TCF teachers solving an assignment together in the annual summer training program. Every year, teachers from different TCF Schools across Pakistan get together to improve their teaching methodologies and address a variety of everyday issues, through interaction and discussions with other faculty members.

Scholars and philosophers
have dwelt upon the necessity for man
to live with and within diverse nations.
They maintain that the amalgam of Diversity
fosters tolerance and promotes peace and harmony.
Only then, they say, can the
human spirit truly blossom.



embracing **diversity**

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Saira and Sidra are identical twins who are students of TCF School - Riaz Tata Campus, Korangi 4, Karachi. This school and many more have been built on land provided by the Sindh Police, which is a valuable partnership for TCF.

When Pakistan was created fifty-eight years ago,
its people took positive steps in this direction,
embarking upon the journey to consolidate the unification of
their pluralistic society and bring about its progress.

History shows us that such tasks are never easy.
Pakistan too faces diverse challenges in this quest for unification.
Some are ongoing, some new and unforeseen -
and to overcome them the
support and understanding of all quarters of its populace
and government is required.



embracing **diversity**



The TCF Team with children from a small village in rural Sindh.

Eleven years ago, a group of like-minded citizens decided to synergize their ideas, resources and efforts to contribute to the much-needed uplifting of the economically deprived masses of the country.

They decided to take the path of spreading Education among the less-fortunate youth, believing that Education would bring about tolerance of diversity and help achieve much needed harmony.



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Each morning, regardless of where they come from, TCF children stand side by side in the morning assembly.

Thus, in 1995 came about the creation of
The Citizens Foundation,
an organization devoted to the cause of
disseminating quality education amongst
the deprived sections of the population across the country.
The concept did not take long to attract widespread
and generous support from persons and
organisations in Pakistan and abroad.
As a result, today there are over
300 TCF Primary and Secondary school units
educating students in the
poorest slums and far-flung rural areas.



Now, every morning, over 38,000 children
enter the gates of TCF Schools.
Regardless of ethnicity, caste,
race, beliefs or ideologies
they all come together in
the single-minded pursuit of education.



embracing **diversity**

TCF embraces and celebrates
the rich dimensions of diversity
contained within each of them.

It operates on the unfaltering belief
that through acceptance of this diversity
will emerge tolerance and understanding.

And thereby, the promise of a
peaceful, progressive and prosperous Pakistan.



embracing **diversity**



Amber (L) with her best friend Nimra in school



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embracing **diversity**

When together, six-year old Amber and her best friend Nimra cannot stop giggling. Students of TCF School-Cowasjee Campus in Mauripur, Karachi, these two little girls love playing together and sitting next to each other in class. Nimra hails from a Pathan family from Mianwali, now settled in the slums of Lyari. Amber, who is a new student at the school, comes from Amoli, a small village in the mountains of Azad Kashmir.

The earthquake of 2005, completely changed Amber's world. She was in class that fateful morning when the roof of her school in Amoli collapsed, killing many children. Among these were Amber's closest friends - her little sister Rukhsar and her cousin Muneeza. Amber's house, along with most of the other homes of the valley, was also buried under a debris of rocks and stones.

The family had nowhere to live. Desperate and devastated, they moved to Karachi, and the children who had survived were enrolled in a TCF School.

Having always been in a small school with fewer students, Amber was not just lonely but also completely lost in the huge campus with a student body as wide and varied as Karachi itself. However, very soon, the warmth and affability which is a characteristic of the TCF culture, helped her adjust to her new environment.

Although she misses Rukhsar and Muneeza very much, her friendship with Nimra is helping her move on. The comfortable and encouraging environment of TCF is playing an instrumental role in helping her overcome the horrors of one of the most devastating natural disasters in the history of Pakistan.



THE CITIZENS FOUNDATION

Inside TCF

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

About TCF

Today, The Citizens Foundation (TCF) is one of the leading organisations in the field of formal education in Pakistan. Pakistan, like any developing country, is home to several problems. Amongst these, illiteracy, poverty and ignorance are the most pressing issues. Education is the means by which Pakistan can achieve a brighter future. Education is also the essential tool which can, and will, dispel ignorance.

Almost forty percent of Pakistan's 160 million population is below the age of 15 years. It is also home to millions of children with hopes for a better tomorrow, most of whom have no access to schools. It is their fundamental right to receive education, which should help them secure a better future.

TCF came into existence with a commitment to see the less-privileged and neglected children of Pakistan achieve their basic right to quality education. For over a decade now, TCF has been building schools in urban slums (katchi abadis) and far-flung rural areas where education is either inaccessible or unaffordable and in most cases, both. The environment in TCF schools strives to develop morally upright human beings, with a strong power of reasoning and a commitment to walk into the future with the ability to practise their rights responsibly.



Of the millions of children added to Pakistan's population each year, less than half will ever get the chance to see the inside of a classroom.

TCF was established in August 1995 and incorporated as a Company limited by guarantee, under the Companies Ordinance 1984. In 2005, JCR-VIS Credit Rating Co. Ltd awarded TCF with the non-profit high-level governance rating of GR-8, a commendable accomplishment for any non-profit organization. In addition, TCF has been certified as one of the highest scoring organizations, to date, by Pakistan Centre for Philanthropy (PCP).

At present, TCF has 311 school units in forty-two locations of Pakistan, with 234 primary and 77 secondary school units. Female students comprise almost fifty percent of the student body. These educational institutions, with fully trained teachers, have an enrolled student strength of over 38,000 and provide jobs to approximately 3,000 people. In addition, TCF also has its own Teacher Training Centre in Karachi with a second one under construction in Lahore. All schools are established in purpose-built premises, equipped with complete facilities such as an administrative block, six to ten classrooms, an art room and a library, with additional well-equipped physics, chemistry, biology and computer laboratories in the secondary schools. Infrastructural facilities such as toilets, running water, and electricity, are also provided.

TCF is determined to raise citizens, equipped with knowledge and literary skills, with high moral groundings and the confidence to live by them. The Foundation is working to achieve these aims through the pursuit of a relevant and comprehensive curriculum, taught by well-trained staff, and designed to make the learning experience a worthwhile and enjoyable one for the students. A notional fee system is in place. However, to ensure that all students can afford education, a pay-as-you-can-afford system is used. Financial aid of up to 95% is offered, depending on the income level of the family. The bulk of the cost of education is met by donations received by the Foundation. TCF aims to build 1,000 school units educating 360,000 children - an achievement which will go a long way in the spread of knowledge and tolerance, and in the building of a progressive, peaceful, and prosperous Pakistan.



A few years ago, Saleem was one of the many children who spend their day begging on the roads of Karachi. He remembers how every morning, when cars used to stop at the traffic lights, he would deliberately run up to those with school going children in them and peep inside. Seeing their neatly scrubbed faces, crisp uniforms and colorful school bags was the high point of his day.

When TCF opened a Primary School in his neighborhood, Saleem was determined to enrol. His mother recollects how he dragged her to school for admission, promising that he would still manage to help her out somehow.

Today, Saleem is in Class VI and besides being a bright and promising student, is a very busy little person. He studies from morning till one in the afternoon and after that works at a burger stand from two till eight in the evening. After dinner, he sits down and finishes his homework till midnight. Not going back to the streets is a promise he has made to himself, a promise TCF is helping him keep.

TCF Impact

As Class I teacher, Shumaila Mehmood walks through the corridors of TCF School at Minhala-Kalan, Lahore, she is overcome by a sense of nostalgia. A few years ago, she herself was a student at TCF. After graduating from Class X in 2004, she went on to college in order to complete Class XII. This year, Shumaila chose to join TCF as a teacher, motivated to give back what she had gained from school and eager to help the children of her community in the same way she had been assisted by her teachers. In her words Shumaila says, 'I could not find TCF anywhere else, and I had to come back'.

TCF graduate Aqeel Akhtar is about to begin the most important journey of his life. Hailing from a small rural village in Punjab, Aqeel has been selected in the National Outreach Program of the prestigious Lahore University of Management Sciences (LUMS). As part of this program, LUMS conducts a nationwide test every year to select economically challenged but academically brilliant students for a 3 month all-expenses paid training program to prepare them for its entrance test and internationally accepted SAT. We hope and pray that Aqeel's dream to study at one of Pakistan's best universities becomes a reality.



Shumaila Mehmood, happily teaching in the same classroom where she herself was once a student.



TCF's star student Saba Hameed is grateful to her teachers and principal for convincing her conservative family to let her continue her studies. She believes that had they not persevered, she would never have had a chance to go to college.

When young Saba Hameed speaks, the eloquence and confidence radiating from her is awe inspiring. Hailing from a small village in Punjab and belonging to a family of farmers with a non-existent background of education, it is hard to believe that Saba is now finishing college and will be on her way to University to pursue a professional degree.

Saba is a second-year student of the TCF Higher Secondary School Pilot Project in Minhala-Kalan, Lahore initiated last year. She amazed everyone by securing a hefty 83% in her Class XI exam. Encouraged by the success of the pilot project, TCF has introduced Higher Secondary schooling in some of its other schools.

Cancer is a difficult disease to grapple with and for a less-privileged family, an even bigger difficulty lies in managing exorbitant medical bills.

For Noor Mohammed, financing the treatment is now not the impossible task it used to be. His son Asif Noor works as a Survey Engineer. After a project in Sadiqabad, he has now been hired by Defense Housing Authority, Karachi and is earning a very good salary. For this ailing parent, Asif's job is the hope he needs to help him recover. His family can now afford the very basics they were sacrificing to manage his treatment. Noor Mohammed's voice chokes with emotion as he thanks Allah for giving him the wisdom to send his children to school.

Asif Noor was in the first batch of TCF graduates and did his Matriculation in 2003, after which he went to Mianwali, Punjab to complete a two-year Survey Engineering course.



Asif Noor - Now a Survey Engineer

In a small, two roomed house in the slums of Karachi, Farzana Khatoon's eyes glimmer with tears as she proudly hangs her son's army uniform in the cupboard. Shahbaz Khan is a nineteen-year old boy enrolled in Pakistan Army's prestigious AMC Training Centre and is presently undergoing a nursing program. In a month's time he will graduate and start working in a CMH Hospital as a Nursing Sepoy. Two years ago, this talented young boy walked out of the gates of one of TCF's biggest schools in Karachi, the Cowasjee Campus in Mauripur, carrying with him the understanding and confidence to realize his dreams.

Erum Ara, a student of the first graduating batch of TCF, scored a high 87% in her Matriculation exam. She is now enrolled in the Sindh Institute of Urology and Transplantation and is pursuing a degree in Bio Medical Technology.



Shahbaz has three younger siblings all of whom study in TCF School-Cowasjee Campus, Mauripur, Karachi. Although they hail from a conservative Pathan family, Shahbaz's parents are so comfortable with the environment in TCF that they also send their young daughters to school.





Parveen in class at a TCF School in Karachi

Parveen is a 19-year old, happily married to a very supportive young husband who works in Gawadar, Balochistan. She is the mother of a baby boy and a student of the University of Sindh, pursuing a BSc Degree.

Additionally, Parveen is also a teacher at the TCF Primary School-Altat Agha Campus I, Dhani Bux Karachi. Not very long ago, this industrious young girl wore the same khaki uniform and was a student of this very school, the first campus TCF built.

Parveen enrolled in this School in 1997, and completed her Matriculation (Grade X) in 2002. She was in the first graduating batch of TCF. After doing her Intermediate (Grade XI) from a local college, Parveen decided to join as a teacher at the same school that she studied in. Whilst pursuing her profession, she is also

continuing her education. She fondly remembers her years at school and praises its learning environment and the teachers who took great care of her. She never forgets to mention her Principal and mentor, Ghazala Farooqi, who inspired her to become a teacher herself.

The TCF Education Program is focused on empowerment through education. Its efforts are concentrated in equipping people with the power to haul themselves from the pits of poverty and embark upon the road to sustainability. Education of a single child is the promise of a change in fortunes of an entire family.

The stories of TCF graduates are not just stories of the success of our program. They are testimonies of the potential of education, verifications of the power of knowledge and the first milestone in our journey of enlightenment.

TCF Board



L to R: Mushtaq Chhapra, Arshad Abdulla, Lt. Gen. (R) Sabeeh Qamar uz Zaman, Ahsan M. Saleem, Rashid Abdulla, Ateed Riaz and Lt. Gen. (R) S.P. Shahid

Board of Directors

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

Company Secretary

Lt. Col. (R) Syed Qaisar Hussain Rizvi

Auditors

KPMG Taseer Hadi & Company
Chartered Accountants

Registered Office

7th Floor, NIC Building, Abassi Shaheed Road
Karachi-75530, Pakistan

Audit Committee

Rashid Abdulla - Member
Mushtaq Chhapra - Chairman
S.M.Ehteshamullah - Member
Shamshad Nabi - Member

Executive Committee of the Board

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

Construction Committee of the Board

Arshad Abdulla
Mushtaq Chhapra
Lt. Gen. (R) S.P.Shahid

Legal Counsel

Mohsin Tayebali & Co.
Afridi, Shah & Minalla

TCF Management

Chief Executive Officer
Lt. Gen. (R) S.P. Shahid

Chief Operating Officer
Brig. (R) Syed M. Arif

Regional Manager South
Brig. (R) M. Anwar Khan

Regional Manager South-West
Capt. (R) Fareed-uz-Zaman

Regional Manager North
Lt. Col. (R) M. Anwar Awan

Regional Manager North-West
Cdre. (R) M. Ashraf Malik

Manager Real Estate
Lt. Col. (R) Syed Qaisar Hussain Rizvi

Manager Construction
Mirza Saleem Baig

Head of Education
Farhat Iqbal

Head of Human Resource
Seema Chapra

Head of Resource Mobilization
Najia Amin

Manager Donor Services
Neelam Habib

Manager Accounts and Finance
Riaz Ahmad

Manager Information Technology
Kashif-uz-Zaman

Manager Procurement & Administration
Maj. (R) Sultan Shahiryar

Advisors
Shamshad Nabi
Javed Malik



A management meeting in progress

Program Highlights

Highlights

Total Number of School Units:

311

Primary School Units:

234

Secondary School Units:

77

Total Number of Students:

38,000+

Total Number of Teachers:

2,400+

Total Number of Locations:

42

Our Network

Punjab

Lahore

Rawalpindi

Islamabad Mangowal

Shahpur

Jauharabad Khushab

Jhang

Mian Channu

Mianwali

Bahawalpur

Sheikhupura

Zafarwal

Faisalabad Jaranwala

Chiniot

Bhaipheru Khanewal

Thatta Gurmani

Bhalwal

Taxila

Muzzafargarh

Dichkot

Sindh

Karachi

Hyderabad

Jhangesar

Bagaan

Gharo

Gado

Mirpur Sakro

Kotri

Daharki

Hala

Nawabshah

Tando Allah Yar

Petaro

Gujju

Balochistan

Hub

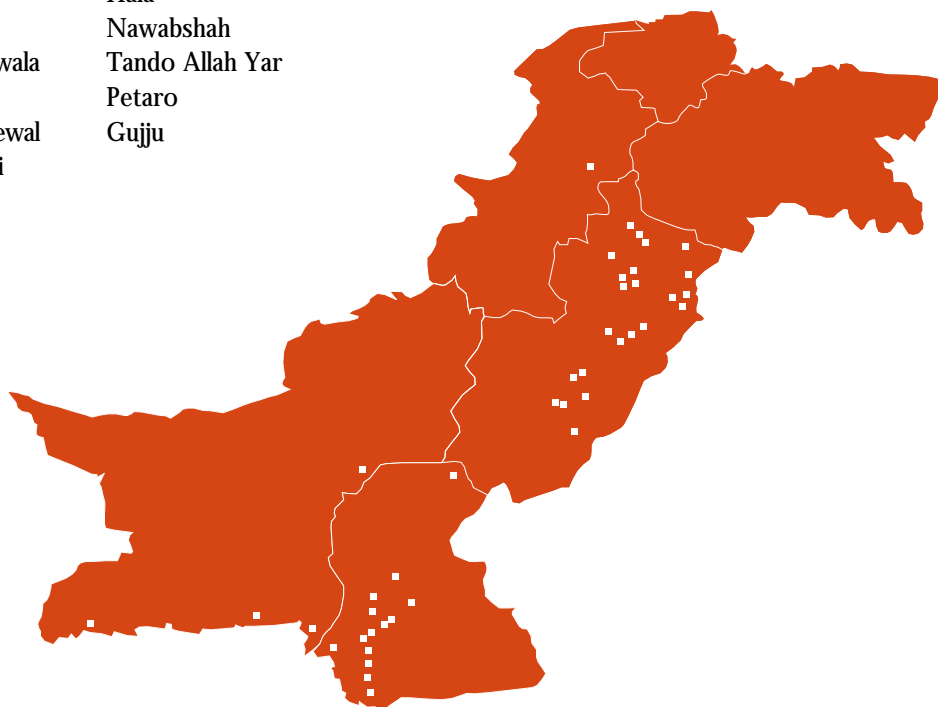
Vinder

Gawadar

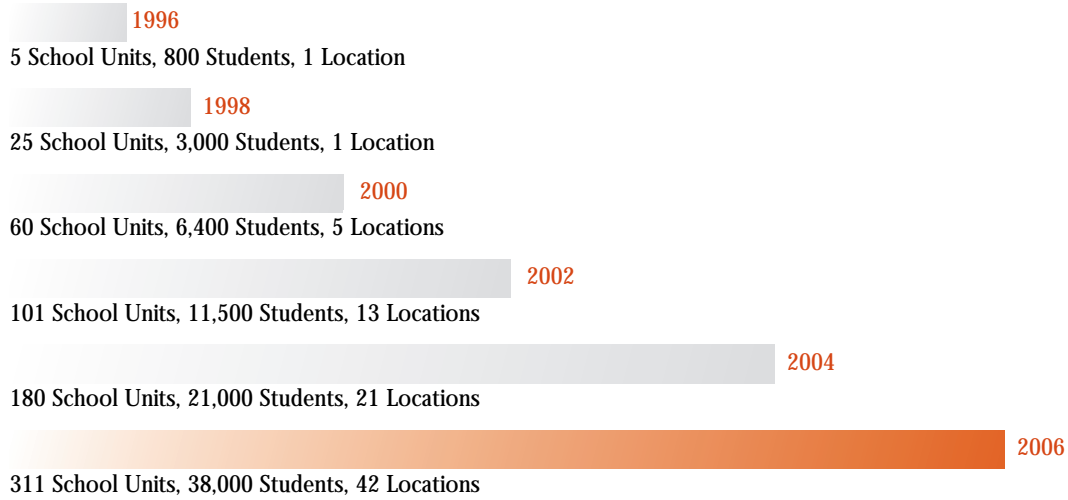
Dera Murad Jamali

NWFP

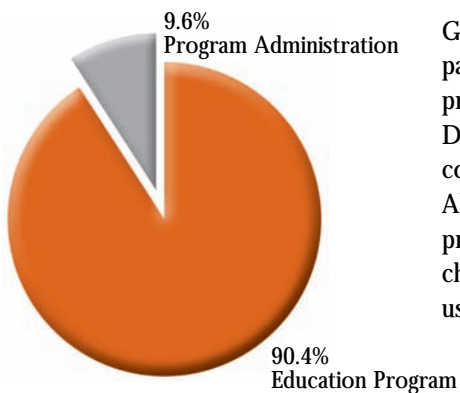
Nowshera



Program Growth

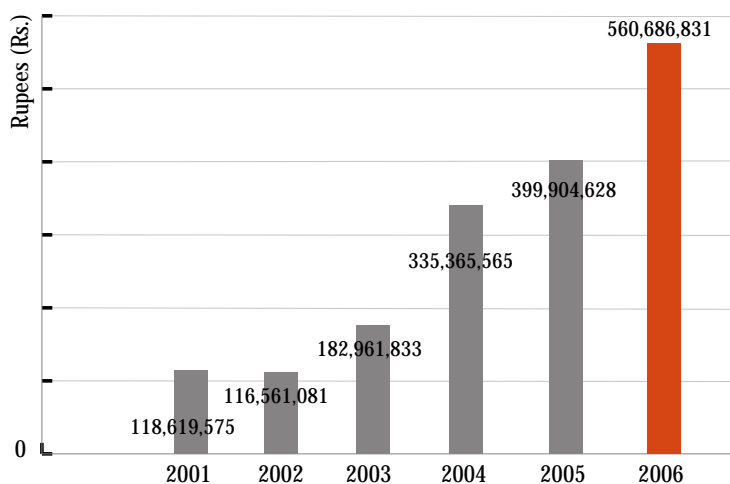


Expense Pattern



Growth in our school network beyond the 300 mark has necessitated parallel investment in program management. This will bolster the program to accommodate future growth in size and outreach. Donations received for building schools are used explicitly for construction, furnishing and other initial establishment expenditure. All other income goes towards the operating costs of the education program. All fundraising expenditure is managed by our support chapters around the world, who conduct events and activities for us and donate proceeds net of all fundraising expenses to TCF.

Receipts Pattern



We are happy to announce a 40% increase in total receipts in the year 2006 over the last financial year. This includes donations and income from investments. Donations received for capital expenditure (build-a-school, build-a-classroom, and land) are reflected as 'Deferred Income' in the balance sheet as these are utilized for building and furnishing schools. Donations received for TCF Relief Fund are not reported in this table.

TCF Schools



A Standard TCF School

TCF believes that it is imperative to create a stimulating environment by providing roomy classrooms, proper desks and chairs, a play area and an adequately stocked library. All TCF Schools are therefore purpose-built with essential facilities such as clean toilets, electricity and running water.

Every standard TCF Primary School has an estimated covered area of 6,000-6,500 sq. feet with 6 classrooms from Pre-Primary till Class V, a library/art room, administration block including the faculty room, accounts office and principal's room. There is a play area, canteen, guard room and clean toilets, separate for boys and girls.

A standard TCF Secondary School has an estimated covered area of 15,000-16,000 sq. feet with 10 classrooms for two sections each of Class VI to Class X (Matric). In addition to the above stated standard facilities in every TCF School, Secondary Schools also have well-equipped physics, chemistry, biology and computer labs.

TCF is very grateful to M/s. Arshad Shahid Abdulla (Karachi) and Farid Ahsanuddin, Pioneer Consultants (Lahore) without whose support TCF would not be able to build its well-designed schools with such efficiency.

First: TCF School - Shirin Sultan Campus III, Minhala-Kalan, Lahore, Punjab

Second: TCF School - Novatex Campus, Saleh Mohd. Goth, Karachi, Sindh

Third: TCF School - Mian Muhammad Yousuf Campus II, Phengali, Lahore, Punjab

Construction Costs

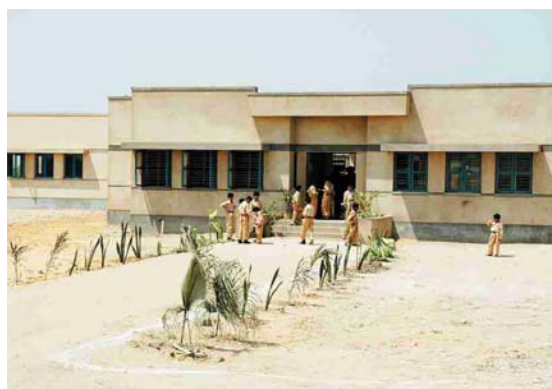
Primary: Rs. 5,500,000
(US \$ 92,000)

Secondary: Rs. 11,000,000
(US \$ 184,000)

Operating Costs

Primary: Rs. 880,000
(US \$ 14,700)

Secondary: Rs. 1,500,000
(US \$ 25,000)



First Left: TCF School - Al-Dar Campus, Moosa Goth, Karachi, Sindh

Second Left: TCF School - Ghulam Faruque Campus, Nowshera, NWFP

Third Left: TCF School - Qasim Noorani Campus, Bagaan, Sindh

First Right: TCF School - Abdullah Ahmed Al-Ghurair Campus, Wara Alladad, Lahore, Punjab

Second Right: TCF School - Al-Maktoum Academy Campus, Jhangesar, Sindh

Third Right: TCF School - Kings Friendship Campus, Vinder, Balochistan



Naresh enjoying a math lesson at school

“**1** want to become an ENT Specialist when I grow up”, passionately declares Naresh Kumar, star student of Class IX at TCF School - Engro Campus, Daharki. “I’ll attend medical college in Karachi, and then come back to Daharki to set up my practice. There aren’t many ENT doctors here, you know”, Naresh declares in his earnest voice. This strikes off an intense discussion between Naresh and Nadeem, another bright student of the class, on the various fields of medical specialization.

Witnessing the lively debate between these young and ambitious boys, it is hard to believe they come from a small and underdeveloped town called Daharki, situated at the border of Sindh and Punjab and harboring one of the least developed educational systems in the country. Until a few years ago, members of the minority community of Hindus in Daharki, for reasons of safety and hostility, had been hesitant to enroll their children in any other school except for the over crowded local government school.

However, the reputation of TCF School - Engro Campus soon tempted many parents to overcome their fears and let their children benefit from its welcoming environment and quality educational standards. The school is at some distance from their village on the outskirts of Daharki, but the parents are more than happy to pool in money and share the costs to hire an auto rickshaw for commuting. There are presently eight Hindu children at the TCF School, who are the pride of the school’s management. Mahinder Kumar, Naresh’s 16-year old uncle, became one of the school’s star performers after securing an A+ grade last year in Board Examinations. Two of these children are girls, which is nothing less than a wonder for the resident Hindu community that foregoes female education as a rule.

Creating harmony and mutual respect among children from diverse ethnicities and backgrounds is an integral part of the training TCF gives to its faculty. The Principal and teachers strive hard to inculcate these values among the children and create such an environment. In a community where religious and ethnic biases were so strong that mingling on a personal level was unheard of, these children now sit together with their other school friends enjoying laughter, sharing food, playing together and dreaming of how to bring prosperity to their district.

embracing **diversity**

Year in Review

Children are at the heart of our Education Program and every member of the TCF Family strives to ensure that these children get the chance they truly deserve in life.



THE CITIZENS FOUNDATION

Chairman's Review

A decade ago, when we built the first TCF Schools, our main aim was to give children on the streets a chance for education. To groom them into becoming tolerant and responsible human beings who would someday do Pakistan proud. When our schools started filling up and students streamed through the gates, eager to change, excited to learn - we began to dream that someday these very children would go on to become teachers, doctors, bankers, pilots, architects and engineers. They would construct



Hope for a better future

our buildings and bridges, cure the ailing, fly our planes and most importantly educate more people.

However, little had we dared to hope that this dream would materialize within our lifetimes. Today, TCF children are entering a variety of fields and above all have come back to help us take this program forward. We have many young teachers who were once TCF students themselves and recently in an Adult Literacy Program, our students conducted a fast track education course for women in their neighborhood. We have a TCF graduate pursuing a degree in Bio Medical Technology while another student has recently succeeded in being selected for an all expenses paid training program by Lahore University of Management Sciences (LUMS), to prepare him for the entrance test to the University's much coveted Honors Degree Program. LUMS is amongst Pakistan's most prestigious academic institutions whose graduates are selected by the country's leading corporate entities for employment. It makes us very proud that our children are now coming into the mainstream and on their way to becoming very valuable assets of this country.

With the addition of eighty seven new school units this year, we have now achieved an accelerated rate of opening a school every four days. We have managed greater penetration in all provinces especially Balochistan, where after much effort schools have been opened in the very traditional and isolated areas of Dera Murad Jamali and Vinder. Due to the overwhelming response we received last year in Nowshera, NWFP, we have built two more school units this year.

Spread over twelve years, the TCF Education Program provides comprehensive schooling to children from Pre-primary to Matriculation. The thrust of the program is imparting quality

education to those for whom schooling is either unaffordable or inaccessible and in many cases both. Over the years, we have been making significant value additions to the program with special focus on teacher training and curriculum enhancement. Significant efforts have been made to develop the students' Urdu language communication skills and computer knowledge. Moreover, we have ensured the provision of specialized academic support to pre-primary and primary levels of education. Through activity based teaching and learning, the focus has been shifted to assessment of the development of concepts and skills rather than grades. As a result, students graduating from TCF Schools are confident, competent and promising young people.

The year under review witnessed the most devastating earthquake in the history of Pakistan which left over 70,000 people dead and 3.5 million displaced on an extremely difficult terrain. Over the years, TCF has established a very credible name for itself both locally and internationally. As the impact of the devastation became known, we were approached from all quarters to employ our construction and infrastructural experience and come up with a rehabilitation program for the earthquake victims. With our expertise and widespread network, we felt it incumbent upon us to go forward and help the victims. We devised a two pronged relief strategy whereby our efforts focused first on providing immediate relief, and then assisting in long-term rehabilitation. We have also planned 18-20 TCF School units in the affected areas to be built by 2007.

I am very happy to report that our supporters across the globe are growing everyday. A pleasant addition this year was that of the very enthusiastic and generous Singapore and Hong Kong groups. Their efforts in helping raise funds for earthquake victims are very encouraging and we hope to establish formal chapters there very soon. I would also like to thank all our other support chapters who through incessant efforts continue to create awareness and raise funds for the program.

After a decade of existence, I feel confident in stating that we are very much on track with our desire of establishing 1,000 school units across Pakistan. With the grace of God, we have increased outreach and managed to spread our network in all four provinces of Pakistan. Our teams are busy trying to establish schools in remote areas and reach out to communities for whom education has till today been only a distant dream. Geographical management of such a rapidly growing network is not an easy task and we have reinforced our regional teams and devised an efficient system. School management has been divided regionally and is being run by competent teams of Area Managers reporting to respective Regional Managers. Management of such growth is expensive and we work very hard to ensure that we keep our administrative costs under 10% of total spend. In the years to come, we plan to extend the program by increasing the level of penetration in each province and focusing on reaching out to marginalized communities that exist, forlorn and forgotten in far-flung and neglected areas of the country.

Statistically speaking, 6 children are being added to Pakistan's population every single minute. Of these, very few will have the chance to receive education. We at TCF, remain committed to our mission of getting children off the streets and into schools. We believe that every child is universally endowed with human reasoning, rights, and responsibilities and it is only through cultivation of reasoning, information of rights and development of responsibilities that a real difference can be made. A difference that could help establish a culture of peace, progress and prosperity for Pakistan.

Ahsan M. Saleem
Chairman
November 2006

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, 2006.

Operating Results

The operating results of the Foundation as detailed in the Income and Expenditure Account which shows a surplus of Rs.352,035,434 for the year ended June 30, 2006. It may be noted that this surplus represents donations received for earthquake relief which is committed expenditure expected to be disbursed in the near term.

Statement on Corporate and Financial Reporting Framework

- 1 These financial statements, prepared by the management of the foundation, present fairly its state of affairs, the results of its operations and cash flows.
- 1 Proper books of account of the foundation have been maintained.
- 1 Appropriate accounting policies have been consistently applied except for the change referred to in notes 5.1, 5.2 and 5.10 to the financial statements in preparation of financial statements, and accounting estimates are based on reasonable and prudent judgment.
- 1 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.
- 1 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.
- 1 There are no significant doubts upon the Foundation's ability to continue as a going concern.
- 1 There has been no material departure from the best practices of corporate governance.
- 1 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, KPMG Taseer Hadi & Co. and their report is attached with the financial statements. No material changes and commitments affecting the financial position of the Foundation have occurred 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
Chief Executive Officer
November 2006

Report of the CEO

I am very pleased to report that the financial year under review saw the crossing of yet another outstanding milestone for TCF's Education Program. By opening 87 new primary and secondary school units in the academic year 2006, we crossed the 300 unit mark, and are now able to educate more than 38,000 deserving children in 42 locations across the country. Moreover, we further extended our ambitious foray in Interior Sindh, with further additions of campuses in the grossly neglected fishing and farming communities of Jhangesar, Gado, Mirpursakro and Gharo. We are proud witnesses to an exceptional and heartening enthusiasm shown by the people of these areas on the opening of TCF schools. Their eagerness to educate their children bears testimony to the fact that the poor and deprived are not averse to progress through education, and fully stand behind TCF's efforts.

This year, we experienced tragic national loss and suffering from the devastating October 8th earthquake. TCF responded immediately to the plight of the earthquake victims by setting up an Earthquake Relief Fund. We provided immediate relief to over 40,000 people in 50 villages through tents, blankets, food and medicine. Field hospitals were also setup in Muzaffarabad, Mansehra and Battal to provide medical assistance to the injured. Moreover, to aid the homeless victims in 42 smaller, far flung villages that had not benefited from other relief operations, TCF built 6,300 insulated winter shelters which provided protection to more than 60,000 people from the harsh winter. The final phase of this program focuses on Permanent Housing and complete rehabilitation of the same villages where we mobilized our winter shelter program. A vital part of this phase is a Capacity building and Training program for the victims, aimed at teaching them basic livelihood skills and sustainability in the post-earthquake environment. It is important for our supporters to note that TCF's Relief Fund is independent of TCF's Education Program and is constituted as a separate cell with its own team and resources. The excellent growth and penetration of our education program this year confirms that our relief efforts have in no way divested our focus from our mission to educate the masses of Pakistan.

To keep pace with the rapidly expanding network of TCF schools in the South (Sindh and Balochistan), this region's administration was sub-divided into South and South West under separate Regional Managers. Moreover, we recruited 477 teachers this year, and provided developmental or pre-service training to about 2,400 faculty members in 20 locations across the country. All these developments come with new responsibilities and costs. Responding to these new challenges, we have intensified our efforts for raising funds and have simultaneously instituted measures for cost control. TCF has furthermore introduced new products for fundraising. An important step in this direction is a donation scheme that will establish an endowment fund to educate a child from Pre-primary to Matriculation (Grade X). In addition, fundraising efforts for various aspects of our program, such as school libraries and secondary school computer laboratories have been intensified.

The real champions in this entire effort have been our students. Our students made their dedicated teachers and us especially proud this year with their outstanding results in Grade IX and Matriculation (Grade X) Board Exams. We also realized that once these students complete their Matriculation, due to dearth of colleges, many students especially girls find it difficult to continue their studies. Last year, as a pilot project, we started the first TCF College in the rural area of Minhala-Kalan in Punjab. I feel great pride in announcing that the results of the First Year Intermediate (Grade XI) Board Examinations were excellent, with a 100% passing rate and 40% of the students achieving A grade and above. The success of the first college has prompted us to offer this option in other schools and this year we established our second college in the urban centre of Karachi.

As TCF Students go on to make us proud and fuel our supporters' motivation to help many more like them, my deepest appreciation goes towards the dedicated individual and corporate supporters of TCF throughout the world, who believe in the future of this country enough to try to make a difference, with their generous donations and support.

Lt. Gen. (R) S.P. Shahid
Chief Executive Officer
November 2006

TCF Highlights

Program Development

Curriculum Enhancement

The TCF Education Program not only focuses on academics, but also strives to develop responsible and well-rounded individuals. With this view, many value additions have been made in the existing curriculum such as:

Emphasis on National Language

To enhance Urdu Language development and communication skills and to help students write creatively, the 'Guldasta' series was introduced at the Primary and Secondary levels. The 'Mera Iqbal' book series was introduced at Primary and Secondary levels to offer students the opportunities to develop their poetic sense, as well as to instill a pride in their mother tongue.

Activity Based Learning

TCF Education Department has planned many changes in the pedagogical approaches and assessment systems especially at the Pre-Primary level to build a strong base. Teaching methods in Classes I and II have been aligned with that of Kindergarten (KG) where a student-centered approach and learning-by-doing were introduced last year. There is a paradigm shift in the assessment methods for pre-primary classes which is now based on observational remarks. The thought behind this attempt is to let children experience the joys of learning without being inhibited by pressures of testing.

Computer Studies

Contemporary education requires keeping abreast with modern technology. Realizing this need, TCF introduced the New Century (Jugnoo) IT series for students in Classes VI to X in its South Secondary Schools in 2005. This curriculum is being implemented in the remaining regions in the upcoming academic year. This will allow

students to learn various computer tools as well as their application, enabling them to use computers independently.

Upgradation of Computer Labs

Learning modern technology also requires using up-to-date equipment. Last year, TCF undertook a mass-scale project to upgrade all its secondary school computer labs. This initiative, like every other project, was only made possible with the help of TCF's donors. Apart from the generosity of original donors of the campus, additional



Class participation is an important aspect of each lesson. Significantly also, children are taught the discipline to raise hands and wait for their turn.

donors from Australia, Canada, Dubai and the United States all helped complete this project.

As a result, 28 labs nationwide were refurbished, each with 13 brand new computers on a local area network, with printers and stabilizers. Additional computer lab furniture was also provided to a number of schools.

Filling TCF School Libraries

A well-equipped library is an integral part of a school, not only to develop the reading and comprehension skills of students but also to help them grow intellectually. Keeping this in mind, TCF has undertaken a project to increase the book wealth of its libraries for the benefit of students who have scarce means or no access to good books. These books will range from educational reference material for students and teachers, to books on a variety of subjects such as children's fiction, encyclopedias, history, geography and social ethics.

Summer School 2006

Vocational training is a major area of interest and for three years now, TCF organizes a summer vocational training program for its students. The classes designed for this year were English, Ceramics and Paper Making. The ceramics course was taught in collaboration with students from leading art institutions of Pakistan. TCF's summer camp was managed entirely by volunteers from local and foreign institutions.

Teacher Training & Development

The change in our academic approach and assessment systems, especially at the Pre-Primary level, has greatly influenced teacher training this year. Our training modules have been revamped to introduce the concepts of 'Early Childhood Education', 'Strategies in Cooperative Learning', 'Diverse Assessment Tools' and 'Integration Across Subjects'.



Each Secondary School has a well-equipped Computer Lab and computer education is an integral part of TCF's curriculum



Every TCF School has clean and airy, purpose-built classrooms where each child has his/her own desk and chair

A week-long session to train the trainers at five different venues was arranged prior to the actual training session in June 2006. These trainers went through a rigorous selection process to ensure quality in training for more than 2,000 TCF faculty at 20 different venues across Pakistan. In addition, the team also conducted regular school visits to follow up on implementation of training and provide on-going support to teachers. Such an opportunity gives mentors insight into the actual learning process taking place in our classrooms and a chance for teachers to share their successes and challenges. This continuous support to schools has been further enhanced at the regional level by Cluster Education Delivery Officers (CEDOs) in respective regions, whose primary responsibility is the quality of education delivery in our schools.

Our faculty is the linchpin of our education program and every year, we organize a ceremony to recognize their commitment and hard work

with the children. The Second Annual 'TCF Awards Ceremony' was organized in Karachi, Lahore, Faisalabad, Islamabad and Daharki and awards were given to the faculty in the categories of Long Service, Excellent Results and 100% Attendance. In the ceremony in Karachi, Shagufta Ahsan from TCF Secondary School – Crescent Steel Campus III in Umar Maingal Goth recited some of her poems including 'Maasoom Bachpana' (Innocent Youth). It was a proud moment for the TCF faculty to see their own student give such an eloquent performance.

Beyond School

The TCF education program was principally targeted to provide basic education from KG to Matriculation in Pakistan's most neglected areas. However, as the years progressed, TCF realized the need to further help the students who graduate from its schools. Two initiatives taken in this regard were a Higher Secondary pilot project and a Student Placement Desk.



Students from TCF Secondary School in Minhala-Kalan, shaking hands after a friendly match of Badminton

Higher Secondary School

For the first time, a Higher Secondary School was launched as a pilot project in TCF Secondary School in Minhala Kalan, Lahore. There are no colleges for higher secondary education in the vicinity of Minhala Kalan.

Most students, especially girls, were, therefore unable to continue their studies. 15 students enrolled last year and this year the new batch has over 30 students. The results for the first year were outstanding with six students achieving A grades and above. TCF has also added more choice in the subjects being taught and girls of this area are delighted as they now have a chance to continue their education.

Student Placement Program

An area of deep concern for TCF's management has always been the future of the students graduating from TCF Schools. For these students, the acquisition of further education or

professional training becomes very difficult due to lack of guidance, counseling, opportunities and financial constraints. With this in view, a Student Placement Program was initiated last year as a pilot project which has now become fully operational.

Through this, we have started a scholarship program for TCF graduates whereby they are given financial assistance, based on their academic achievements and career interests, to help them upto graduation. The placement program has received tremendous support from both individual and corporate donors. Along with this, a Scholastic Aptitude Test (SAT) training program has been initiated, in collaboration with Unilever Pakistan, in order to provide entry test training to students who wish to pursue education in renowned and prestigious local business schools like LUMS and IBA.

They do us Proud

At TCF, every achievement of our children is a reason to celebrate. Their accomplishments in the face of adverse circumstances give us the motivation to strive for their education and endeavor to get more and more children off the streets and into TCF Schools.

Matric Results

This year too, TCF students have done us proud. It is the hard work of the principals, teachers, students, Education and Regional teams that is responsible for the excellent results secured by our students. TCF congratulates every one for this outstanding performance. This year 46 students from Punjab appeared for the Matriculation (Grade X) Board Examination out of which 32 students secured A and A+ grades. The overall passing rate in TCF students was 100%, a remarkable performance compared to the overall passing rate in Punjab of only 60%.

Highest achievers were Aasia Ashfaq in the Science Group and Nazia Anayat in the Arts Group. Both students are from TCF Secondary School – Shirin Sultan Dossa Campus III, in Minhala-Kalan, Lahore and have secured 84.2% and 84.8% marks respectively.

In Sindh, the passing rate among 200 students who appeared for their Matriculation board exams from 10 TCF Secondary Schools was 88%, largely exceeding the average passing rate of 72% for the overall board. All students belonged to the Science group and 26% secured A and A+ grades.

We would also like to especially acknowledge the hardwork and efforts of the students of TCF School - Engro Campus, who have once again established a record for TCF. 87% of these students secured A and A+ grades in their Matriculation exams from the Sukkur Board. This is the first graduating batch from this campus.



Matric students from Daharki posing for a photograph with their younger siblings, all of whom are TCF students

What is important to mention is that they had performed equally well in their Class IX Board Exams last year with 76% achieving A and A+ grades.

Daharki is a small district with a literacy rate of less than 30% for adults aged 15 years and above with the majority of the community being farmers. These results have proved that children of Daharki are undeterred by their circumstances, and have a promising future due to their hard work and drive to succeed.

Unilever Art Competition 2005

It was a proud moment for us when 6 out of 12 winners at the Unilever Art Contest, themed 'Inspiration', were TCF students. TCF won the first prize in the 5 - 10 year age category, the second and third prizes in the 15 - 18 year age category and two third prizes, along with the runners-up (encouragement award) prize in the 11 - 14 year category. Judges disclosed that

entries made by TCF students were considered very creative as they were made using recycled materials which were both economical and imaginative. Creative endeavors are greatly encouraged at TCF and every TCF School has a dedicated art room where students are regularly engaged in various creative pursuits.

Prize Winners at the Solidarity Week

TCF Primary School - Maj. Gen. Fazal Muqeem Campus in Dhamial, Rawalpindi, was one of eleven schools which participated in the concluding ceremony of Solidarity Week. This event was celebrated in connection with the Universal Children's Day. Our students managed to bag the second prize! The main objective of this week was to show solidarity with the children of the earthquake affected areas. The Solidarity Week was jointly organized by the Pakistan National Club for United Nations, Plan Pakistan and the Community Support Program.



TCF Student at an art workshop conducted by Vasl, a non-profit art organization

Global Support

Friends of TCF in UK

FTCF UK is a registered charity committed to making education accessible for the less-privileged children in Pakistan. Based in London, with regional networks across Britain, we raise awareness and funds for TCF in the UK. The year under review started very well for Friends of TCF (FTCF) in July, with our ground breaking trek through the Pakistani Himalayas which included Chitral, base camp of Tritch Mir, Barun and the Kalash Valley.

We were deeply saddened by the October Earthquake disaster in Pakistan. The scale of the calamity was alarming but our supporters rallied round to do everything possible to assist in the face of such a large scale disaster. Indeed, a number of affected areas were those that we had visited, and the support we received from our individual and corporate donors was

unprecedented. Their direct pleas were a conduit that they can rely upon us to transfer funds to the victims. It was an encouraging vote of confidence in the trust that we have built in the UK over the last 4 years. Sadly, this event dominated our year.

Fundraising for the core schooling programme struggled due to donor generosity to the Earthquake Relief Fund. However, we did organize our normal stable of fundraising events for our supporters in the early part of 2006. These included the Comedy Night at the Comedy Store in Piccadilly and our annual Five-a-Side Football Tournament. We would like to end by paying tribute to the victims of the tragedies during the year and extend our thoughts to all of them and their families. We are also indebted to the students of TCF who provide a steadfast ray of hope to us, in the most difficult of times, and motivate us to strive to achieve more.



A fundraising walk in Newcastle organised by TCF supporters in UK

TCF-USA

TCF-USA was formed and incorporated as a tax-exempt non-profit organization in 2002. In this short span, this young organization has developed into a leading advocate of education for children of deprived communities in Pakistan. Generous assistance from supporters and volunteers of TCF-USA has helped to maintain our steady growth, both in terms of numbers of new supporters and donation amounts received year-to-year.

Our donations this year were 114 % higher than last year, amounting to the cost of building nine TCF Primary Schools. Along with this, we also managed to collect substantial donations for TCF Earthquake Relief Fund and are very grateful to our supporters for this overwhelming response.

The Board and core leadership of TCF-USA have implemented significant positive changes within the organization in the past year. The Board has also committed to a series of planned activities for the next few years. These actions and programs are designed to give long-term direction to the operations of TCF-USA in keeping with its mission to support the building of civil society in Pakistan by providing high quality, secular and scientific education for underprivileged children, through the programs of The Citizens Foundation.

TCF-USA strives to remain focused on its core mission to fund the education programs of TCF for underprivileged children in Pakistan. The Board, stakeholders and staff pledge to work with sustained dedication to be worthy of the trust placed in them by you, the donors and supporters of TCF- USA.



Presentation at the Latham & Watkins fundraiser



TCF-UAE Supporters enjoying an afternoon of go-karting

TCF, UAE

TCF, UAE thanks all its supporters in the Emirates for donating generously towards TCF Relief and Rehabilitation efforts to help the victims of the October 2005 earthquake. Our primary focus remains the promotion of the TCF cause in the UAE through awareness-raising events and campaigns. Granted a license by the Dubai Humanitarian City (DHC), TCF, UAE has established a very creditable name for itself.

In wake of the disastrous earthquake in Pakistan, people from across the Emirates supported our relief efforts: Saharay, a dynamic group of 14 UAE-based ladies, made a significant contribution to TCF for the reconstruction of five villages in the earthquake-hit region as part of its “Umeed 2006” program; Dubai Media City, Dubai Internet City and Knowledge Village, extended their generous support to us in collecting funds for victims of the earthquake; and Qanat Al Qasba, Sharjah, held a week-long event comprising indoor and outdoor concerts and workshops to collect donations, where Sheikha Badoor Bint Sultan Al Qassimi, who heads Qanat Al Qasba, presented a cheque to the TCF Relief Fund.

One of our major targets this year was to maximize media coverage for TCF. Danish Mumtaz, a Dubai-based filmmaker and avid TCF supporter, took an international film crew to Pakistan to shoot TCF's new advertisement. Lucy Munro, a Dubai-based British journalist and TCF stalwart, was interviewed on Dubai Eye FM on the relief work. TCF was also featured on Aawaz FM, with Abbas Ali Zahid explaining its education program to listeners.

Other events and activities this year included an exhibition of the work of internationally-acclaimed Iranian installation artist Bitu Fayyazi and Lebanese photographer Souheil Semaan with all sales proceeds going to TCF; two successful go-karting events at the Jebel Ali Karting Club to raise funds; and a special fund/awareness-raising event organized by TCF Abu Dhabi, led by Dr. Azim Akbar.

Apart from the supporters mentioned, TCF UAE is also thankful to Dubai Development & Investment Authority, Al-Batha Group, Al-Tayer Group, Emirates Flight Catering Co., Pakistan Business Council, Pakistan Association Ladies Wing, Parents' Association- Jumeira Primary School, Pakistan Islamia Higher Secondary School, Emirates International School-Dubai, DCD Investments, Black & Decker-DeWalt, Omni Oil Technologies, employees of GSK and Atco Controls FZCO, Sajjad Ahmed, Mohammad Maklai, Harris Irfan, Hamid Lodhi, Nermeen Qasim Midfa, Fayeeza Naqvi, Jessica Shetter, Salahuddin, Al Amar Golden Jewelers, Dr. A.Q. Al Banna, Dr. Claudio Covezzi and Ahsan and Zohaib of the Pakistani Cultural Club at American University of Sharjah.

Bahrain

The Citizens Foundation has been receiving immense support from all corners of the world toward its efforts in the earthquake affected areas. This year, Pakistani Women's Association (PWA) of Bahrain partnered with TCF and made a significant contribution towards the construction cost of a TCF Primary School. This school will be built in Harori-Khakhoo in the Mansehra District of NWFP; an area affected by the earthquake. The school will be operational in the academic year 2007.

Supporters in Bahrain have also been contributing to support the operating expenses of two TCF schools in Khushab for several years.

TCF, Canada

TCF, Canada celebrated its first anniversary, with a dinner at the Granite Club which was attended by over a hundred prominent guests. TCF founding Director, Mushtaq Chhapra gave a presentation outlining TCF's ongoing initiative in the field of education and in the earthquake affected areas. At the end of the dinner, a Pakistani philanthropist made a speech in which he committed to donate funds for the construction of a school, and operational support of another school.

TCF, Canada aims to work towards building a network of supporters and volunteers for TCF all over Canada. Since its inception, the Toronto Chapter has been instrumental in the donation of five primary and secondary schools.

In addition to this, Canada is already paying for the operating support of two other primary schools. Consequent to the earthquake of October 2005, Toronto's efforts managed to raise significant funding for the reconstruction and rehabilitation of the victims of this devastating tragedy.



TCF Canada - Dinner at the Granite Club marking the Chapter's first year anniversary

Singapore

Following the tragic earthquake in October 2005, the Singapore community and Singapore Pakistanis approached TCF as the reliable organization to contribute their funds and relief goods for the help of earthquake victims. During this process, a generous sum was raised. TCF became the main conduit for receiving several container loads of relief goods into Pakistan from Singapore Pakistan Association (SPA) for immediate distribution to the most deserving. Consequently, in Spring 2006 a TCF Chapter was opened in Singapore. In March 2006, a charity golf tournament was organized by the United World College of South East Asia (UWCSEA) Parents' Association, at the Classic Course of Laguna National Golf and Country Club to raise funds for the victims of the South Asia Earthquake. Net proceeds from the event were donated to TCF to build a school in the earthquake affected zone and marks the start of a long-term relationship between UWCSEA and TCF.

Mercy Relief is a Singapore based, not-for-profit organization established in 2001, as a direct response to catastrophes that occur from natural disasters. Mercy Relief collaborated with TCF for their play pack project – distribution of 10,000 school bags to school children in the affected areas.

HongKong

On November 12, 2005, an Earthquake Relief Gala Dinner was held at Eau Restaurant, The Aberdeen Marina Club raising significant funding for victims of the October 8th earthquake. The dinner was organized by a small group of Pakistani Professionals who live and work in Hong Kong. More than 144 guests attended the dinner which included a live auction of paintings donated for the occasion by some of Pakistan's best known artists along with benefactors of the event. A touching video was also played which showed the efforts of the young children in Hong Kong for raising funds to help the earthquake victims.



UWCSEA Golf Tournament



L to R: Naseeruddin Shah, Ratna Pathak Shah and Heeba Shah after performing Ismat Apa Kay Naam

STCF Pakistan

Supporters of TCF in Pakistan organized a hugely successful mega fundraiser in Lahore, Karachi and Islamabad in May 2006, called Ismat Apa Kay Naam. This theatrical extravaganza was an enactment of three stories, portrayed individually with aesthetic excellence by Indian film legend Naseeruddin Shah along with Ratna Pathak Shah and Heeba Shah. Ismat Apa Kay Naam was a revered tribute to the literary prominence of Ismat Chughtai, one of the all-time greats of Urdu fiction. The production was received with great enthusiasm and appreciation from audiences in all three cities.

STCF held its annual 'LMATHON' on March 11, 2006 in Karachi. The annual 'LMATHON' walk creates awareness and raises funds to meet the operational costs of seven TCF schools. This was the third successive year of the walk, with over 4,000 participants as well as TCF school children. The walkers were greeted by the upbeat tunes of the Police and Navy Brass Bands. In all, 24 schools enthusiastically participated in the walk with Defence Authority 'O' & 'A' Level, Convent

of Jesus and Mary and Bay View High School raising the highest donations.

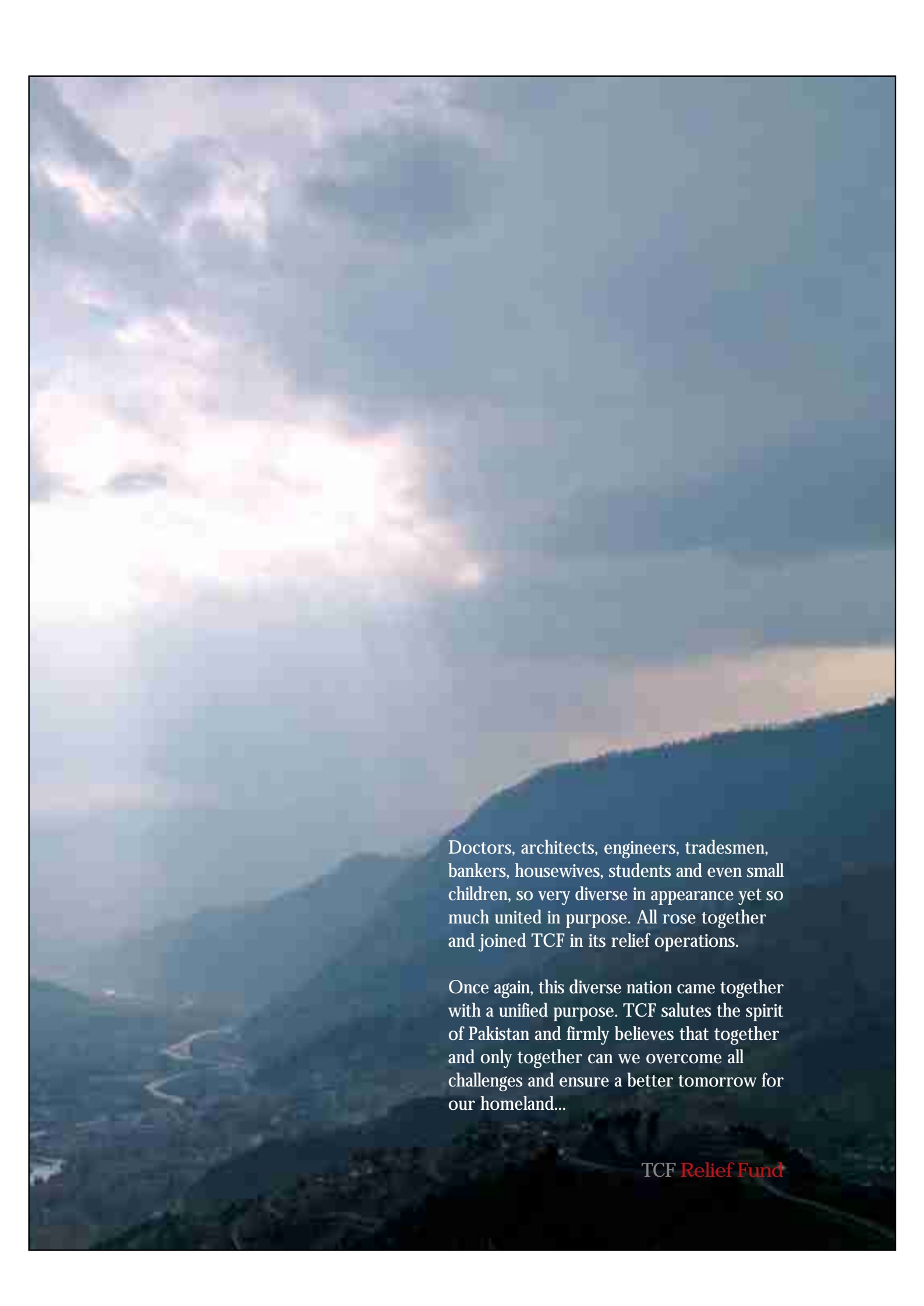
The main sponsor of the event was United Bank Limited and the co-sponsors included English Biscuit Manufacturers, Sui Southern Gas Company and Premier Insurance Company. Security for the walk was provided by the Rangers, Police and SMS securities. The event was made a huge success with the help of the DHA Administrator, who helped with arrangements of the walk and the Manic Mela that followed it.

In March 2006, the Young Presidents Organization (YPO) invited the incomparable Shabana Azmi and talented Farooq Shaikh from India to stage their famous play 'Tumhari Amrita.' The aim of the event was to raise funds to build a TCF primary school in the earthquake affected areas.

The STCF team played an instrumental role in helping organize the show and making it a huge success. The Indian actors came with a message of peace and brotherhood and took the Pakistani audiences by storm.



the day the
mountains
moved...



Doctors, architects, engineers, tradesmen, bankers, housewives, students and even small children, so very diverse in appearance yet so much united in purpose. All rose together and joined TCF in its relief operations.

Once again, this diverse nation came together with a unified purpose. TCF salutes the spirit of Pakistan and firmly believes that together and only together can we overcome all challenges and ensure a better tomorrow for our homeland...

TCF **Relief Fund**

The Disaster

October 08, 2005 witnessed one of the worst ever natural disasters to hit Pakistan. An earthquake measuring 7.6 on the Richter Scale hit the beautiful mountains of Azad Kashmir and parts of NWFP resulting in mass devastation. Six minutes was all it took to kill over 70,000 people and leave 3.5 million homeless, helpless and hungry in an extremely difficult terrain.

It was the month of Ramadan and most people, being asleep after their pre dawn meal (Sehri), did not have the time to escape at the time of the earthquake. It was a school day for children and nearly 30,000 children died that fateful Saturday in classrooms, homes and playgrounds.

Buried beneath the debris were not just concrete homes, but lives and livelihoods in

entirety. Hundreds and thousands of homes, schools, government buildings and roads were damaged or destroyed. Entire villages and towns were wiped off the map. Most land routes were blocked due to landslides and as a result a great many areas remained out of reach for many days after the earthquake. The main obstacle in the rescue work was the extremely harsh and jagged mountainous terrain.

- 1 More than 70,000 people dead
- 1 3.5 million people displaced
- 1 Over 400,000 houses destroyed
- 1 Over 7,000 schools damaged / collapsed
- 1 30,000 children dead
- 1 Nearly 1,000 teachers dead



Young victims of the quake weeping at the graves of their family members

Immediate Relief

TCF Provides Immediate Relief to Over 40,000 Affectees

Within 48 hours of the tragedy, TCF teams had put together care packages containing tents, blankets and food rations for immediate distribution. In an organized effort to ensure that goods were given out to deserving affectees only, a relief system was devised whereby victims of the quake were requested to register themselves at our camps. A team was then dispatched to make an assessment of the village particulars and assess needs in terms of number of houses destroyed, population of villages, number of deaths etc. This helped determine the number of essentials needed to be sent to the village on the following day. As part of the

immediate relief efforts, TCF also helped setup tent schools in place of their collapsed buildings to bring the children back to normalcy and help them cope with the disaster.

The following tehsils were reached by our immediate relief efforts:

- 1 Bagh
- 1 Rawlakot
- 1 Balakot
- 1 Shinkiari
- 1 Ghari Dupatta
- 1 Hattian Balla
- 1 Villages in and around Muzaffarabad
- 1 Mansehra and Abbotabad in collaboration with Sungi



Children from a makeshift tent school. The earthquake left most school buildings destroyed or damaged beyond use. TCF helped setup tent schools so children can continue with their education till school buildings are repaired or reconstructed.



The injured being brought in



TCF team providing immediate medical care

TCF Sets up Field Hospitals

With the number of injured escalating to frightening proportions, TCF took immediate action and started operating medical camps in some of the quake affected areas. The first TCF Field Hospital was set up at the Neelum Valley Ground in Muzaffarabad with 80 beds, an adequately equipped operation theatre along with X-Ray, pharmacy and laboratory facilities.

TCF was fortunate to have a dedicated and professional team of over 200 doctors who worked day and night and performed over 300 surgeries in Neelum Valley alone. Soon after, TCF set up a field hospital in Muzaffarabad with 180 beds. This field hospital became an integral setup for other organizations bringing in patients for treatment through helicopters from smaller villages. Two more field hospitals were set up in Balakot and Battal.

The Volunteers

While doctors performed surgeries and various medical procedures, volunteers who came from all over the world and all walks of life assisted, and provided support to the medical teams by cleaning the operations theatre, sterilizing equipment, manning the pharmacy, assisting the orthopedic management, shifting the patients and most important, post surgical care of patients in tented wards. TCF thanks all its volunteers who took out their time and worked so arduously towards this cause. Their passion and hard work continues to inspire us all.

Rehabilitation

TCF builds 6,300 shelters; protection for over 60,000 people in the harsh winter

The second phase of TCF's strategy was to provide long term rehabilitation. After an extensive survey and consultation with communities in various villages, TCF mapped out a program which involved building seismic housing, rebuilding supporting infrastructure such as water supply systems and implementing a comprehensive capacity building and training program.

The task, however, was very difficult and much had to be done before actual rebuilding could be initiated. There were massive heaps of rubble to be removed, ownership of land to be ensured, building material and labor to be arranged and most importantly, shelters to be provided for the fast approaching winter which would cover most areas with snow and frost.

TCF realized that it may be months before actual



Shelters under construction

rebuilding could commence and most people may not survive the winter in tents. Therefore, as the first step of the rehabilitation program, 6,300 insulated winter shelters were built for residents in over 42 different villages. These shelters were built within the premises of the owners to be used later as extensions of their homes.



A completed winter shelter



Community based approach

Community Based Approach

An integral part of TCF's rehabilitation program is to involve the local villagers in all planning and construction efforts. In the winter shelter program as well, TCF adopted a 'community based approach'. The local people and village committees were apprised of the short term and long term plan. Detailed discussions took place with the villagers and their feedback was sought on the benefits and technical aspects of the program. Once the people and the village committees agreed, TCF initiated work in that area.

TCF field staff and volunteers trained the locals, providing them with the necessary material, technical assistance and supervision to build the shelters. Thus, by involving the locals, including women, in the decision making and reconstruction process, the program not only

brought the villagers together but also provided a venue for self-sustainability. Shelters became the first step for villagers towards restarting their lives. Having built the shelter themselves, they felt a strong sense of ownership and pride, giving them a much needed morale boost.



Involving locals at every step

Capacity Building

Capacity Building for Self Sustainability and Livelihood

An essential part of TCF's rehabilitation program was to ensure self sustainability of the survivors. TCF thus launched a comprehensive capacity building and training program, based on conducting training for semi skilled and unskilled people for trades like masonry, house planning, etc.

Hence, the program aims to not only train the affectees to build their own houses but also to provide them with skills to better their employment prospects.

Training Sites Established

TCF has established two training sites in Muzzafarbad, AJK and Battal, NWFP, each having a training centre and a block making plant. Here, workshops are conducted on basic, safe construction techniques and earthquake safety measures. In addition to classroom training, trainees are given hands-on training in making blocks and then utilizing them in a seismically safe way. Two model houses were constructed, involving trainees, in order to teach them different stages of construction including safe site selection, demarcation, building the foundation and plinth, vertical reinforcement etc.



TCF Team helping locals rebuild

Permanent Housing

The Government of Pakistan has estimated that over 700,000 housing units were affected by the earthquake. In addition to reconstruction of schools, hospitals, government infrastructure, communication network and road links, at least 500,000 housing units need re-construction or repair. This mammoth task requires comprehensive planning and extensive resources. TCF, motivated by its values, track record and donor support, has taken several steps in collaboration with local communities to embark upon comprehensive reconstruction and rehabilitation activities.

Permanent Housing

TCF in the aftermath of the earthquake has developed a very close relationship with the

affected communities in the areas where it launched its relief operations. In February, a survey was carried out to identify the beneficiaries for the housing project in villages in the Muzzafarabad and Mansera Districts. Special consideration was given to vulnerable groups such as widows, single mothers, the old and injured, etc.

TCF's Rehabilitation plan drives a majority of its ventures with a community based, owner driven approach, similar to the one taken in its winter shelter program. The construction of seismic housing is no different as it trains the beneficiaries to help build their own homes. The construction phase has been initiated with our field staff going door to door to help the families



A model home nearing completion

in starting out and making the arrangements to start building their houses. Residents are brought together along with the village council committee members and explained the social and technical aspects of the program in training centers that also impart skills to them in capacity building. Moreover, material, facilitation and labor in some cases is then provided to complete the construction of the house.

The TCF Seismically designed permanent homes range from single to two rooms houses with an area of 593 SFT and 916 SFT respectively. Each house also has a verandah, a kitchen and toilets as independent units. The house design is earthquake resistant and has been approved by the Earthquake Rehabilitation and Reconstruction Authority (ERRA) of the Government of Pakistan.

These designs have been developed after research and technical advice by groups of senior structural engineers and architects of international repute, such as the Institute of Architects of Pakistan,

Association of Consulting Engineers, Pakistan, Mushtaq & Bilal Consulting Engineers, Pakistan and TCF's own field team of Engineers, Architects and Development Management experts based in the target region. The designs have also been made with every effort to use indigenous material in the reconstruction process. The walls have been vertically reinforced to ensure safety and each design for permanent housing has a built-in provision for expansion.

Building Water Supply Systems

TCF under its rehabilitation plan is bringing water to the villages. The water supply system in most of the affected villages is either poorly managed or non-existent. Some villagers have to walk as long as an hour to get water from the neighboring village. Moreover they have to carry heavy buckets and matkas (mud pots) full of water back to their homes. Not only is it an arduous task for most villagers but it also poses a serious problem for women who have to carry heavy buckets and walk a long way from



Locals learning how to lay the foundations of a house

the water source back to their homes. TCF in its program of rebuilding infrastructure is building water supply systems in most villages. It is a simple system which would use many of the village's current natural resources and ensure a better water supply system. Water is going to be taken from a stream or river and transported through pipes to 3-4 centrally located tanks in the village. These centrally located tanks would then be accessible to all.

TCF Education Program

Bringing in its vast experience in building and managing schools, TCF decided to take its education program to the areas affected by the earthquake. Owing to the tragic and enormous loss of schools and teachers in the region due to the disaster, TCF now aims to breathe a new life into the devastated educational infrastructure of the affected areas; a major step in rehabilitating the young victims.

TCF has planned 18 to 20 primary school units



Groundwork for establishing water supply systems



Aerial view of a TCF Seismically designed Permanent Home under construction

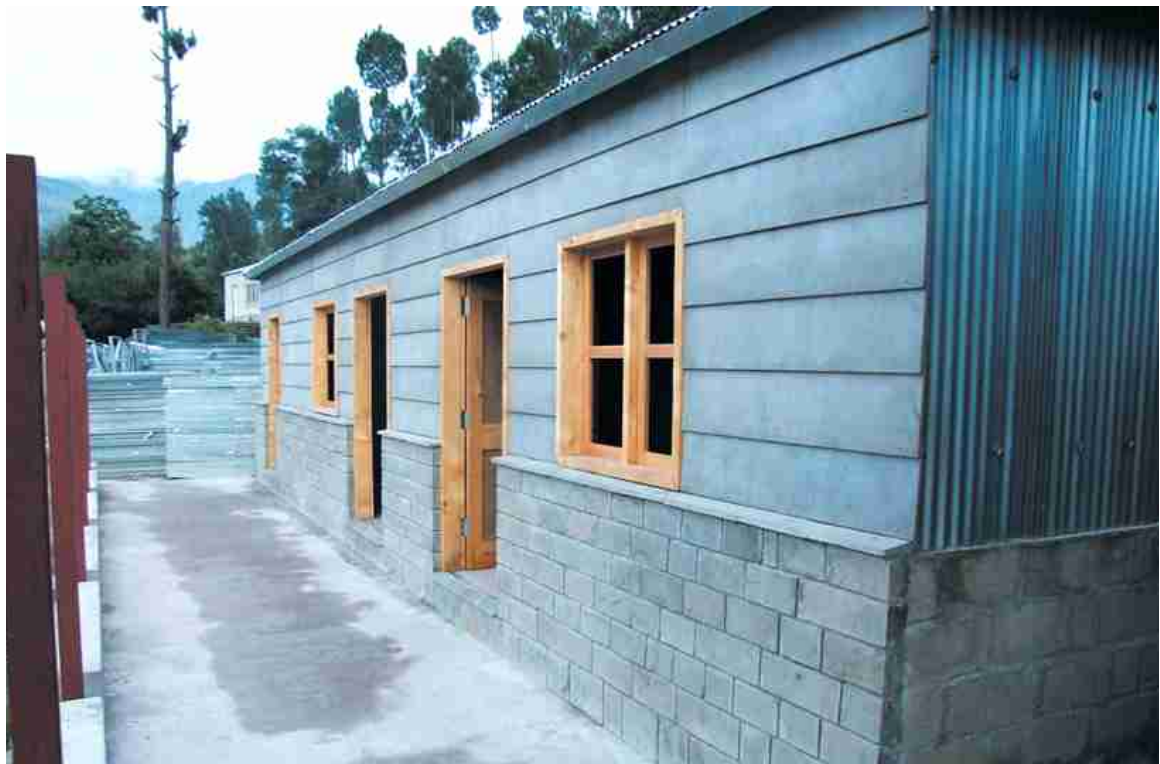
for the earthquake affected areas of Northern Pakistan and Azad Kashmir to be ready by 2007. These school buildings have been seismically designed, with special pre-fabricated structures that will be erected above plinth level and will protect the buildings against the threat of earthquakes as well as being snow and wind proof. Thus, these school units, apart from resisting earthquake vibrations, will be strong enough to withstand wind traveling at a speed of about 160 Km/hr, and will have specially constructed snow-resistant roofing. Moreover, the building walls and floors will be insulated against the extreme weather that is a characteristic of these parts of the country.

Construction on the schools began in October after gaining approval of design and construction methodology from ERRA (Earthquake Reconstruction and Rehabilitation Authority), the government organization regulating all reconstruction work in the earthquake affected areas. Presently, construction work on many of

the school buildings has advanced through the initial excavation stage into the block masonry and plinth building stage. Despite, serious dearth of skilled technical labor, exorbitant cost of physical and human resource in the areas due to extensive reconstruction activity planned in the region and limited accessibility into certain areas, construction is moving at a reasonable pace to build these schools in time for the academic year 2007.

For more details about TCF Relief Fund, please contact:

TCF Relief Fund Camp Office
9th Floor, NIC Building
Abassi Shaheed Road
Karachi-75530, Pakistan.
Phone: 92 21-563 5414
Email: quake-relief@thecitizensfoundation.org
Web: www.tcfrelieffund.org



A zero-tolerance model classroom built as per quake resistant technology



Sonya, Munazza and Goshi with their cousins and siblings in their tent house

A gypsy woman walked into a TCF School in a distant area called Hair, outside of Lahore. Being an illiterate mother, the sole purpose that drove her to enter the gates of TCF was the determination to educate her daughters and niece. For a second, the Principal questioned how wise it would be to admit three gypsy girls into the school on scholarship. She thought to herself, "But they are gypsies, they would leave the area soon to move to another." However, the moment she looked into the eyes of these girls, her mind was made up. She decided that she would go out of her way to not only admit them in school but also ensure that they stay and continue their education. She told herself, "If today I do not admit these girls into my school, tomorrow they might never get a second chance."

Generally gypsy families move from one location to another and live in temporary tent-homes. They are beggars by profession, obtaining food and income by begging in the community, going from one house to another. In local vernacular they are called "Pakhiwaas." With their limited income and inconsistent lifestyle, education is not something on their priority list. Sonya, Goshi and Munazza's family is one of such families. These girls choose to walk a long distance every day from their makeshift tent houses to school. This is the first time that their parents have ever settled in a place for such a long time. When the Pakhiwaas girls joined Class 1 at TCF a year ago, they were not only unacquainted with the alphabet but also ignorant of basic rules of hygiene and etiquettes. The faculty at TCF School – Abdul Rashid Khan Campus took it upon themselves to not only provide the girls with shoes and uniforms but also toothbrushes and hair clips, along with trimming their hair when need be. Because their parents do not have irons at home, the Principal even taught them how to keep their uniforms from creasing. The teachers worked hard over the year and still continue to focus their efforts on encouraging them. They are delighted to find out that not only are these girls benefiting from character building but are also demonstrating a high aptitude in their academic performance.

The Principal and teachers at TCF are determined to give the girls that equal chance in life they truly deserve. The twinkle in their eyes, the pencils in their small hands, and their clean uniforms give hope to the entire TCF family that education will prevent them from begging ever again.

embracing **diversity**

Financials

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



THE CITIZENS FOUNDATION

Auditor's Report to the Members

We have audited the annexed balance sheet of The Citizens Foundation (a company limited by guarantee) as at 30 June 2006 and the related income and expenditure account, cash flow statement and statement of changes in equity 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.

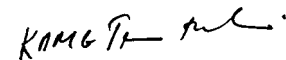
It is the responsibility of the Foundation's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express 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 except for the change referred to in notes 5.1, 5.2 and 5.10 to the financial statements with which we concur;

- 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, cash flow statement and statement of changes in equity 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 2006 and of the results of its operation, its cash flows and changes in equity for the year then ended; and
- d) in our opinion, no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980.

Karachi: 21st November, 2006



KPMG Taseer Hadi & Co.
Chartered Accountants

Balance Sheet

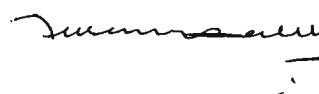
as at 30 June 2006

	Note	2006	2005 (Restated)
NON CURRENT ASSETS			
Tangible fixed assets			
Operating fixed assets – at valuation / at cost less accumulated depreciation	6	752,130,335	656,374,127
Capital work in progress	7	257,454,911	83,163,371
		1,009,585,246	739,537,498
Long term investments	8	160,305,108	46,235,942
Long term deposits		3,360,283	5,704,633
		1,173,250,637	791,478,073
CURRENT ASSETS			
Current maturity of long term investments	8	15,943,765	-
Stock of uniforms, text books and exercise copies	9	833,686	316,047
Advances, deposits and prepayments	10	13,441,466	6,459,689
Accrued income and other receivables	11	2,475,604	3,513,649
Short term investments	12	185,252,500	61,748,340
Cash and bank balances	13	182,838,035	27,781,759
		400,785,056	99,819,484
CURRENT LIABILITIES			
Current maturity of liabilities			
against assets subject to finance lease	14	(9,363,829)	(13,590,039)
Accrued expenses and other liabilities	15	(42,614,831)	(13,729,597)
		(51,978,660)	(27,319,636)
		348,806,396	72,499,848
NON CURRENT LIABILITIES			
Deferred income	16	(321,309,565)	-
Liabilities against assets subject to finance lease	14	(11,501,571)	(26,667,669)
		(332,811,136)	(26,667,669)
	Rupees	1,189,245,897	837,310,252
REPRESENTED BY:			
General fund		837,074,310	630,948,579
Unappropriated surplus		352,035,434	206,125,731
Unrealized gain on remeasurement of available for sale investments		136,153	235,942
	Rupees	1,189,245,897	837,310,252

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



CHIEF EXECUTIVE



DIRECTOR

Income & Expenditure Account

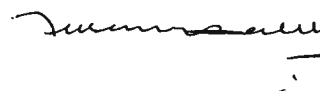
for the year ended 30 June 2006

	Note	2006	2005 (Restated)
INCOME			
Donations	17	215,528,207	392,524,507
Profit on investments		11,595,070	4,615,388
Profit on bank accounts		6,026,422	551,432
Exchange gain		1,583,558	1,782,022
Capital gain		939,689	-
Gain on disposal of fixed assets		3,612,664	431,279
Others		91,656	-
		<u>239,377,266</u>	<u>399,904,628</u>
EXPENDITURE			
Scholarships / subsidies to TCF schools	18	103,245,623	82,374,584
Teachers' training		5,784,862	5,427,436
Vehicle running and maintenance		8,883,262	9,256,551
Repairs and maintenance		1,398,842	2,569,536
Salaries and benefits	19	34,943,334	24,973,329
Travelling and conveyance - staff		1,859,733	1,294,233
Utilities and communication		2,040,312	1,620,522
Insurance		2,383,280	1,485,428
Printing and stationery		3,917,389	3,257,475
Depreciation	6	56,834,699	54,703,453
Office rent		5,330,832	3,939,061
Auditors' remuneration		50,000	-
Professional charges		1,351,690	202,186
Bank charges		273,192	162,329
Miscellaneous		34,170	109,329
Financial charges - leasing		1,846,166	2,403,445
Provision for impairment loss		45,253,135	-
		<u>275,430,521</u>	<u>193,778,897</u>
Excess of (expenditure over income)/income over expenditure - operations other than earthquake relief		(36,053,255)	206,125,731
Donations - earthquake relief		519,236,479	-
Earthquake relief expenses		(131,147,790)	-
Excess of income over expenditures - earthquake relief		388,088,689	-
Excess of income over expenditure	Rupees	<u>352,035,434</u>	<u>206,125,731</u>

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



CHIEF EXECUTIVE



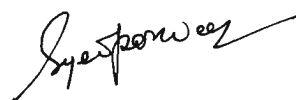
DIRECTOR

Cash Flow Statement

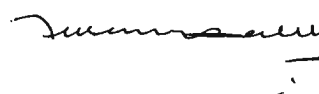
for the year ended 30 June 2006

	Note	2006	2005
CASH FLOW FROM OPERATING ACTIVITIES			
Cash generated from operations	20	459,282,866	264,062,978
Financial charges paid - leasing		(1,814,746)	(2,399,628)
Net cash inflow from operating activities		457,468,120	261,663,350
CASH FLOW FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(330,161,036)	(208,558,308)
Sales proceeds on disposal of fixed assets		4,437,678	455,200
Investment made		(291,775,915)	(91,748,340)
Profit received on investments		10,825,822	3,269,025
Long term deposits		2,344,350	(2,313,703)
Net cash outflow from investing activities		(604,329,101)	(298,896,126)
CASH FLOW FROM FINANCING ACTIVITIES			
Deferred income		321,309,565	-
Repayment of liabilities under finance lease		(19,392,308)	(13,019,544)
Net (decrease) / increase in cash and cash equivalents		155,056,276	(50,252,320)
Cash and cash equivalents at beginning of the year		27,781,759	78,034,079
Cash and cash equivalents at end of the year	Rupees	182,838,035	27,781,759

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



CHIEF EXECUTIVE



DIRECTOR

Statement of Changes in Equity

for the year ended 30 June 2006

	General Fund	Un-appropriated Surplus	Un-realised gain on remeasurement of available for sale investments	Total
Balance as at 1 July 2004	630,948,579	-	-	630,948,579
Surplus of income over expenditure for the year 2005 transferred to general fund	206,361,673	-	-	206,361,673
Balance as at 30 June 2005 as previously reported	837,310,252	-	-	837,310,252
Effect of change in accounting policies:				
- Unappropriated surplus for the year ended 30 June 2005 transferred to general fund - note 5.10	(206,361,673)	206,361,673	-	-
- Un-realised gain on remeasurement of available for sale investments - note 5.2	-	(235,942)	235,942	-
Balance as on 30 June 2005 restated	630,948,579	206,125,731	235,942	837,310,252
Surplus of income over expenditure for the year 2005 transferred to general fund	206,125,731	(206,125,731)	-	-
Surplus of income over expenditure for the year 2006	-	352,035,434	-	352,035,434
Realised gain on disposal of available for sale investments	-	-	(343,442)	(343,442)
Un-realised gain on remeasurement of available for sale investments	-	-	243,653	243,653
Total income and expense recognised during the year	-	352,035,434	(99,789)	351,935,645
Balance as on 30 June 2006 Rupees	837,074,310	352,035,434	136,153	1,189,245,897

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



CHIEF EXECUTIVE



DIRECTOR

Notes to the Financial Statements

for the year ended 30 June 2006

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. 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.

3. BASIS OF MEASUREMENT

3.1 Accounting convention

These accounts have been prepared under the historical cost convention except that:

- available for sale investments are stated at their fair values.
- donated land and buildings are stated at valuation.

3.2 Functional and presentation currency

These financial statements are presented in Pakistan Rupees which is the company's functional currency. All financial information presented in Pakistan Rupees has been rounded to the nearest rupee.

3.3 Use of estimates and judgements

The preparation of financial statements in conformity with approved accounting standards, as applicable in Pakistan, requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that

period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of approved accounting standards, as applicable in Pakistan, that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 24 to these financial statements.

4. NEW ACCOUNTING STANDARDS AND IFRIC INTERPRETATIONS THAT ARE NOT YET EFFECTIVE USE OF ESTIMATES AND JUDGEMENTS

The following standards, amendments and interpretations of approved accounting standards are only effective for accounting periods beginning on or after 1 July 2006 and are not expected to have a significant effect on the Foundation's financial statements or not relevant to the Foundation:

- Amendments to IAS 1 Presentation of Financial Statements Capital Disclosures
- IAS 19 (Amendment) Employee Benefits contractual agreement between the multi employer plan and defined benefit plans disclosures
- IAS 39 (Amendment) Cash Flow Hedge Accounting of Forecast Intergroup Transactions
- IAS 39 (Amendment) The Fair Value Option
- IAS 21 (Amendment) The Effects of Changes in Foreign Exchange Rates: net investment in foreign operation
- IFRIC 4 Determining whether an Arrangement contains a Lease
- IFRIC 5 Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
- IFRIC 6 Liabilities arising from Participating in a specific market - Waste Electrical and Electronic Equipment
- IFRIC 9 Reassessment of Embedded Derivatives
- IFRIC 10 Interim Financial Reporting and Impairment

5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

5.1 Income recognition

Donations for school operations are recognized as income as and when received. Donations related to fixed assets e.g. for school land and building etc. whether received in cash or kind are recognized as deferred income and amortized over the life of assets from the date of assets are available for intended use. Uptil last year, all donations were recognized as income as and when received and taken to income and expenditure account in the year donations are received. It is impracticable to identify data for prior periods regarding donations related to assets and its utilization, hence related prior period's figures in the financial statements could not be restated.

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 the basis of constant periodic rate of return.

5.2 Investments

Held to maturity

Held to maturity investments are stated at amortised cost.

Available for sale

Investments classified as available for sale are initially recognized at cost inclusive of transaction costs and subsequently are marked to market using the last quoted rate at the close of the financial year, and resultant gains or losses are recognised in the equity.

Upto last year any resultant gains or losses were recognised directly to the income and expenditure account. This change has been made in line with the requirement of International Accounting Standard - 39 "Financial Instruments: Recognition and Measurement". Figures relating to prior year amounting to Rs. 235,942 have been restated in the financial statements. Had there been no change in the policy, the profit for the year would have been higher by Rs. 243,653.

The investments are recognized / derecognized by the Foundation on the date it commits to purchase/sell the investments.

5.3 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

5.4 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 6 to these financial statements

Depreciation is charged on fixed assets from the date assets are available for intended use upto the date these assets are disposed off.

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 5.3 to these financial statements.

5.5 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.

5.6 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.

5.7 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.

5.8 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.

5.9 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.

5.10 Change in accounting policy relating to transfer to General Fund

The Company during the year changed its accounting policy whereby transfer to general fund is now recognised in the year in which it is approved. Previously, the financial statements were adjusted for transfer to general fund, approved subsequent to year end. The change was considered necessary in the light of circular number 06/2006, dated 19 June 2006, issued by the Institute of Chartered Accountants of Pakistan, whereby the requirement of International Accounting Standard 10, "Events after the balance sheet date", are now fully applicable to the Company.

Upto previous year, transfers to general fund relating to unappropriated surplus for the year although approved subsequent to year end, were accounted for in the year to which those related. This change has been applied retrospectively and comparatives have been restated to conform to the changed policy under the requirements of International Accounting Standard 8, "Accounting Policies, Changes in Accounting Estimates and Errors".

Had there been no change in accounting policy, the unappropriated surplus and General Fund for the year ended 30 June 2006 would have been lower and higher by Rs. 352.035 million respectively.

6. OPERATING FIXED ASSETS - at valuation / cost less accumulated depreciation

					2006				
					Rate	DEPRECIATION			Written down
					(%)	As at 1 July 2005	For the year/ additions/ (deletions)	As at 30 June 2006	value as at 30 June 2006
OWNED									
Land	6.1	105,484,745	12,503,290	117,988,035	–	–	–	–	117,988,035
School building	6.2	552,585,225	105,059,798	657,645,023	5	93,347,169	30,180,665	123,527,834	534,117,189
Furniture and fittings		51,493,793	8,764,316	60,258,109	10	17,198,581	5,702,253	22,900,834	37,357,275
Vehicles		38,900,905	16,874,801 27,776,394 (4,568,000)	78,984,100	20	24,100,457	9,588,684 18,841,854 (4,350,186)	48,180,809	30,803,291
Office and other equipments		13,464,175	7,331,416	20,795,591	20	6,777,767	2,704,882	9,482,649	11,312,942
Machinery		–	2,882,300	2,882,300	15		267,608	267,608	2,614,692
LEASED									
Vehicles		70,290,427	– (28,568,394)	41,722,033	20	34,421,169	8,390,607 (19,026,654)	23,785,122	17,936,911
	Rupees	832,219,270	153,415,921 27,776,394 (33,136,394)	980,275,191		175,845,143	56,834,699 18,841,854 (23,376,840)	228,144,856	752,130,335

					2005				
					Rate	DEPRECIATION			Written down
					(%)	As at 1 July 2004	For the year/ additions/ (deletions)	As at 30 June 2005	value as at 30 June 2005
OWNED									
Land	6.1	96,138,815	9,345,930	105,484,745	–	–	–	–	105,484,745
School building	6.2	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
	Rupees	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

- 6.1 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. Title of certain donated land is still in process of being transferred in the name of Foundation.
- 6.2 Five school buildings which were constructed prior to the incorporation of the Foundation were donated at an estimated cost of Rs. 2 million each.

7. CAPITAL WORK IN PROGRESS

	Note	2006	2005
Balance at 1 July		80,709,796	54,683,863
Expenditure incurred during the year		226,197,054	171,316,630
		<u>306,906,850</u>	<u>226,000,493</u>
Transferred to school buildings during the year		(105,059,798)	(145,290,697)
	7.1	<u>201,847,052</u>	<u>80,709,796</u>
Mobilisation advance to contractors		9,771,507	2,453,575
Advance against purchase of fixed assets		45,836,352	–
	Rupees	<u>257,454,911</u>	<u>83,163,371</u>

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

8. LONG TERM INVESTMENTS

Held to maturity			
Bank AL Habib Limited	8.1	15,943,765	15,500,000
Current maturity of long term investment		(15,943,765)	–
		–	15,500,000
United Bank Limited	8.2	10,279,028	10,000,000
United Bank Limited	8.3	10,006,306	–
Pakistan Mobile Communication Limited	8.4	9,094,125	–
Askari Commercial Bank Limited	8.5	10,454,911	–
Available for sale			
United Money Market Fund		411,398	20,343,442
BSJS Mutual Fund		607,500	392,500
ABAMCO Composite Fund		1,487,500	–
Atlas Fund of Fund		4,797,000	–
Strategic Allocation Fund		6,496,500	–
Meezan Balanced Fund		5,497,350	–
Atlas Income Fund		50,024,836	–
UGIF- Income Fund		51,148,654	–
	Rupees	<u>160,305,108</u>	<u>46,235,942</u>

8.1 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.

8.2 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.

8.3 These represent investment in 7 years bank term finance certificates and carry profit rate of 1.70% per annum plus trading yield and will mature on 31 July 2013.

8.4 These represent investment in 7 years term finance certificates and carry profit rate of 2.85% per annum plus trading yield and will mature on May 2013.

8.5 These represent investment in 8 years bank term finance certificates and carry profit rate of 1.50% per annum plus trading yield and will mature on 31 July 2013.

9. STOCK OF UNIFORMS, TEXT BOOKS AND EXERCISE COPIES

	Note	2006	2005
School uniforms		342,095	234,575
Text books		–	81,472
Exercise copies		491,591	–
	Rupees	<u>833,686</u>	<u>316,047</u>

10. ADVANCES, DEPOSITS AND PREPAYMENTS - considered good

Advances to staff		487,727	524,716
Advances to suppliers		7,600,827	2,622,475
Current maturity of long term deposits		1,742,400	752,400
Prepaid expenses		3,610,512	2,560,098
	Rupees	<u>13,441,466</u>	<u>6,459,689</u>

11. ACCRUED INCOME AND OTHER RECEIVABLES - considered good

Accrued income on investments		1,840,341	1,793,058
Tax deducted at source		547,053	1,323,626
Other receivables		88,210	396,965
	Rupees	<u>2,475,604</u>	<u>3,513,649</u>

12. SHORT TERM INVESTMENTS

Pak Oman Investment Bank Limited		–	10,275,000
Crescent Standard Investment Bank Limited	12.1	38,881,000	51,473,340
Saudi Pak Commercial Bank Limited	12.2	80,000,000	–
KASB Bank Limited	12.3	20,000,000	–
NIB Bank Limited	12.4	65,252,500	–
Habib Bank A.G. Zurich	12.5	20,000,000	–
Provision for impairment loss	12.6	(38,881,000)	–
	Rupees	<u>185,252,500</u>	<u>61,748,340</u>

12.1 These represent term deposits and carry profit rate of 10.00% to 12.25% per annum and maturing during 25 May 2006 to 31 July 2006. However, as a matter of prudence, no profit on these deposits have been accrued during the year. For details refer note 12.6.

12.2 These represent investment in term deposits and carry profit rate of 11% per annum and will mature on 30 September 2006.

12.3 These represent investment in term deposits and carry profit rate of 11% per annum and will mature on 17 August 2006.

12.4 These represent investment in fixed deposits and carry profit rate of 4.75% per annum and will mature on 20 July 2006.

12.5 These represent investment in fixed deposits and carry profit rate of 10.25% per annum and will mature on 9 July 2006.

- 12.6 The Securities and Exchange Commission of Pakistan has appointed an Administrator in place of the Board of Directors of the Crescent Standard Investment Bank Limited (CSIBL). The Board of Directors of the Foundation follows a very cautious investment policy and are confident that the aggregate amount of the Foundation's funds will be fully recoverable in the due course of time. However, in order to comply with the requirements of International Accounting Standards, a provision of Rs. 45 million has been made against any possible losses in the value of term deposits and balance in current account.

13. CASH AND BANK BALANCES

	Note	2006	2005
Cash in hand		8,142,770	491,161
Cash at bank:			
- current account		13,412,589	4,481,152
- deposit account		167,654,811	22,809,446
		181,067,400	27,290,598
Provision for impairment loss	12.6	(6,372,135)	-
	Rupees	<u>182,838,035</u>	<u>27,781,759</u>

14. LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE - secured

Present value of minimum lease payments:			
Balance as on 1 July		40,257,708	23,554,858
Assets acquired on lease during the year		-	29,722,394
		40,257,708	53,277,252
Repayments during the year		(19,392,308)	(13,019,544)
		20,865,400	40,257,708
Current maturity – shown under current liabilities		(9,363,829)	(13,590,039)
	Rupees	<u>11,501,571</u>	<u>26,667,669</u>

	2006			2005		
	Minimum lease payment	Financial charges	Principal outstanding	Minimum lease payment	Financial charges	Principal
Not later than one year	10,387,276	1,023,447	9,363,829	15,917,890	2,327,851	13,590,039
Later than one year but not more than five years	12,091,546	589,975	11,501,571	28,665,776	1,998,107	26,667,669
	22,478,822	1,613,422	20,865,400	44,583,666	4,325,958	40,257,708
Current portion	(10,387,276)	(1,023,447)	(9,363,829)	(15,917,890)	(2,327,851)	(13,590,039)
Liabilities against asset subject to finance lease	<u>12,091,546</u>	<u>589,975</u>	<u>11,501,571</u>	<u>28,665,776</u>	<u>1,998,107</u>	<u>26,667,669</u>
	Rupees					

Present value of minimum lease payments has been discounted by using financing rate ranging from 11% to 7.5% per annum (2005: 12.5% to 7.5%). 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. 4.158 million (2005: Rs. 6.081 million) paid against these liabilities. Repair and insurance costs are to be borne by the Foundation.

15. ACCRUED EXPENSES AND OTHER LIABILITIES

	Note	2006	2005
Accrued expenses		19,132,917	4,831,200
Accrued mark-up on finance leases		31,420	248,801
Security deposit - Teachers	15.1	5,524,170	3,648,116
Retention money		7,755,087	4,802,213
Tax deducted at source		9,533	199,267
Scholarship		157,635	-
Others	15.2	10,004,069	-
	Rupees	<u>42,614,831</u>	<u>13,729,597</u>

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

15.2 This includes an amount of Rs. 10 million given by the spouse of Mr. Ahsan Saleem (Chairman of the Foundation) which is payable on demand. This amount has been invested and the profit received on the amount to be treated as donation income by the Foundation.

16. DEFERRED INCOME

	Note	2006	2005
Donations related to fixed assets during the year		324,094,716	-
Ammortization for the year		(2,785,151)	-
	Rupees	<u>321,309,565</u>	<u>-</u>

17. DONATIONS

Donations received for school operations		213,920,224	397,261,379
Ammortized - donations related to assets		2,785,151	-
Fund raising expenses		(1,177,168)	(4,736,872)
	Rupees	<u>215,528,207</u>	<u>392,524,507</u>

18. 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".

19. SALARIES AND BENEFITS

19.1 Chief Executive Officer's Remuneration

	Note	2006	2005
Salaries and allowances		3,075,000	250,000
Utilities		—	—
House rent		—	—
Domestic servant salary		—	—
Leave encashment		—	—
Medical expenses		—	—
Entertainment allowance		—	—
	Rupees	<u>3,075,000</u>	<u>250,000</u>

The Foundation also provides free use of company maintained car.

20. CASH GENERATED FROM OPERATIONS

	Note	2006	2005 (restated)
Excess of income over expenditure		352,035,434	206,125,731
Adjustments for non cash charges and other items:			
Depreciation		56,834,699	54,703,453
Profit on investments		(11,595,070)	(4,615,388)
Gain on sale of fixed assets		(3,612,664)	(431,279)
Financial charges		1,846,166	2,403,445
Provision for impairment loss		38,881,000	—
Working capital changes	20.1	24,893,301	5,877,016
	Rupees	<u>459,282,866</u>	<u>264,062,978</u>

20.1 Working capital changes

Stocks	(517,639)	1,799,605
Advances, deposits and prepayments	(4,528,202)	(2,213,095)
Accrued income and other receivables	1,085,328	299,821
	(3,960,513)	(113,669)
Increase / (decrease) in current liabilities		
Accrued expenses and other liabilities	28,853,814	5,990,685
Rupees	<u>24,893,301</u>	<u>5,877,016</u>

21. 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.

22. 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 8 and 12 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 14 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.

23. RELATED PARTY TRANSACTIONS

- 23.1 Arshad Shahid Abdullah (Private) Limited, in which Mr. Arshad Abdullah (Director of the Foundation) is also a director, has provided voluntary architect consultancy services to the Foundation during the year.
- 23.2 Shakarganj Mills Limited and Crescent Steel & Allied Products Limited in which Mr. Ahsan Saleem (Chairman of the Foundation) is also a director have donated Rs. 2,463,263 and Rs. 8,000,000 respectively.
- 23.3 Searle Pakistan Limited, in which Mr. Rashid Abdullah (Director of the Foundation) is also a director, has donated Rs. 12,430,000 for the Earth Quake Relief Fund.
- 23.4 An amount of Rs. 10,000,000 has been given by the spouse of Mr. Ahsan Saleem (Chairman of the Foundation) which is payable on demand. This amount has been invested and the profit received on the amount to be treated as donation income by the Foundation.

24. ACCOUNTING ESTIMATES AND JUDGMENTS

24.1 Operating fixed assets

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

24.2 Held to maturity investment

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

24.3 Available for sale investment

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

24.4 Stock of uniforms, text books and exercise copies

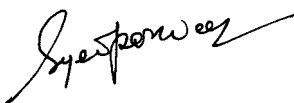
The Foundation reviews the net realizable value of stock of uniforms, text books and exercise copies to assess any diminution in the respective carrying values. Any change in the estimates in future years might affect the carrying amounts of stocks with a corresponding affect on the amortization charge and impairment. Net realizable value is determined with respect to estimated selling price less estimated expenditures to issue the stocks.

25. DATE OF AUTHORISATION

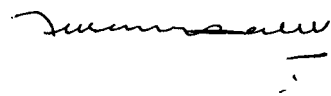
These financial statements were authorised for issue in the Board of Directors meeting held on 21st November, 2006.

26. GENERAL

Prior year's figures have been re-arranged wherever considered necessary for the comparison.



CHIEF EXECUTIVE



DIRECTOR

Notice of AGM

Notice is hereby given that 10th Annual General Meeting (AGM) of The Citizens Foundation will be held at 1300 hours on 30 December, 2006 at 7th Floor, NIC Building, Abbasi Shaheed Road, Karachi, to transact the following business.

ORDINARY BUSINESS

1. To confirm the minutes of the Annual General Meeting held on 27 October 2005.
2. To receive, consider and approve the audited accounts of the company for the period ended 30 June 2006 together with the Directors and Auditors report thereon.
3. To appoint Auditors and fix their remuneration for the year 2006-2007. The present auditors M/s. KPMG Taseer Hadi & Co. Chartered Accountants, retire and being eligible, offer themselves for re-appointment.

SPECIAL BUSINESS

4. To transact any other business with the permission of the Chair.

By Order of the Board



Col (R) Syed Qaisar Hussain Rizvi
Company Secretary

Dated: 08 December 2006.



How you can Help

Cheques and Bank Drafts:

Cheques and Bank Drafts may be mailed to any of the following addresses:
Pakistan: The Citizens Foundation
7th Floor, NIC Building, Abbasi Shaheed Rd,
Karachi-75530.

UK: Friends of The Citizens Foundation
9 Camden Road, London, E11 2JP.

UAE: The Citizens Foundation
P.O Box 1081, Sharjah.

Canada: The Citizen's Foundation
55-3176 Ridgeway Drive, Mississauga,
ON L5L5S6, Canada

USA: The Citizens Foundation, USA
100 Trisatate International, Suite No. 100
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. If you use this mode of making donations, kindly send us a letter (communicating your address and donation details) to the address of that country.

Pakistan

Account Title: 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

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

Donations to TCF Pakistan are approved for tax deduction U/S 2(36)(c) of the income tax ordinance, 2001, valid upto 30-06-2007.
All donations to FTFCF-UK are tax deductible for UK basic and higher rate taxpayers under the Gift Aid Scheme.
All donations to TCF USA, are tax deductible. Tax identification no. is 41-2046295

USA

Account Title: The Citizens Foundation, USA
Bank: Citibank
Account no: 800477867
Routing no: 271070801

UK

Account Title: 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

UAE

Account Title: 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

Canada

Account Title: The Citizen's Foundation, Canada
Bank: Royal Bank of Canada, 200 Bay Street,
RBC Plaza Toronto, ON, M5J 2J5
Institution no: 003
Account no: 00002-1361682
Swift Code: ROYCCAT2

Online Donations

www.thecitizensfoundation.org
using your VISA/MASTER credit card

your **help** will go a long way in helping us **change lives..**

Pledge Form

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

- | | |
|---|-----------------------------|
| <input type="radio"/> Build-a-school (Primary) | Rs. 5,500,000 |
| <input type="radio"/> Build-a-school (Secondary) | Rs. 11,000,000 |
| <input type="radio"/> Build-a-Classroom | Rs. 800,000 |
| ----- | |
| In the earthquake affected areas | |
| <input type="radio"/> Build-a-school (Primary) | Rs. 9,000,000 |
| <input type="radio"/> Build-a-school (Secondary) | Rs. 18,000,000 |
| ----- | |
| <input type="radio"/> School Van | Rs. 450,000 |
| <input type="radio"/> Secondary School Computer Lab | Rs. 425,000 |
| <input type="radio"/> Stock a Library (Primary) | Rs. 50,000 |
| <input type="radio"/> Stock a Library (Secondary) | Rs. 75,000 |
| <input type="radio"/> Support-a-school - Primary | Rs. 880,000
(per year) |
| <input type="radio"/> Support-a-school - Secondary | Rs. 1,500,000
(per year) |
| <input type="radio"/> Educate-a-child (per year) | Rs. 9000
(Rs. 750/month) |
| <input type="radio"/> Educate-a-child (till Matric) | Rs. 98,000 |
| <input type="radio"/> Education Fund | Any amount |
| <input type="radio"/> Zakat Fund | Any amount |

All the above rates are for 2006-2007. Build-a-school rates apply to projects in urban slums.
Other locations may need cost review & customized project costing.
An endowment fund has been created for Educate-a-child (till Matric) scheme.

To be Paid: ☐ Monthly ☐ Annually ☐ One-time
Through: ☐ Cheque ☐ Cash ☐ Credit Card
For: ☐ Ongoing ☐ Two Years ☐ One Year

I have enclosed a cheque / cash of

Rs. _____

(Not to be filled by persons paying full amount through credit cards)

Name _____

Email _____

Address _____

City _____

Country _____ Post Code _____

Tel (Off) _____ Tel (Home) _____

Mobile _____

For Donors wishing to pay through Credit Cards

I hereby authorize TCF to deduct

Rs. _____
(Please enter full year amount)

from my ☐ Visa ☐ Master

Amount in Words _____

Name _____
(as it appears on the card)

Credit Card No.

0000 - 0000 - 0000 - 0000
(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.

Mail me Donation receipts:

☐ Never ☐ Monthly ☐ Annually (in June)

Signature Date

The recognition of your donation should be in the name of

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) 565 3173

Email: citizens@cyber.net.pk

www.thecitizensfoundation.org

The accounts of TCF are audited by KPMG Taseer Hadi & 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.

TCF Contact Information

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Cell: 973-39-221669
ghazalahusain@yahoo.com



Five year old Rabia Ali is a Kindergarten student at a TCF School. She belongs to the Baloch-Makrani community settled in the metropolis of Karachi, which is a melting pot of diverse ethnicities from all over the country. The Makran community in Pakistan has an African-Arab origin dating back hundreds of years.



THE CITIZENS FOUNDATION

www.thecitizensfoundation.org

Publication of this report has been sponsored by a well-wisher