



3rd Annual Report of the Petarian Foundation

July 1

2007

The following pages outline the activities and achievements of the Petarian Foundation during the fiscal year 2006-2007. The complete Audited Statements for the year are also appended.

Including
Audited
Statements



The Petarian Foundation

[Registration no. RS/ICT/427 of 2003, under Societies Act XXI of 1860 – NTN: 2475458-7]

House no. 12-A, Street 29, F-7/1, Islamabad
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www.petarianfoundation.org

Executive Summary

This third annual report of the Petarian Foundation covers the period 1 July 2006 to 30 June 2007, along with audited statements that are appended to this report. The first two years of existence were extremely important in shaping and molding the Foundation, and setting the right direction.

The Foundation was made primarily to serve Petaro and Petarians. While this direction was set clearly in the activities promoted by the Foundation, one important project undertaken was in service of Pakistan. The devastating earthquake that struck northern Pakistan and Kashmir on 8 Oct 2005 took the Foundation towards providing relief and rehabilitation for the affected population of Bagh, AJK. The Foundation has done admirable job in this regard, and brought the project to its maturity.

Petaro and Petarian related activities remained the main focus. We continued with our scholarships program, teacher training programs, and welfare activities for the staff of the college and Petarians. A new program was added to fund one junior employee of the college staff to proceed for Hajj every year.

One of the major contributions was in the form of the one crore rupee donation by Shahid Mahmud, General Secretary of the Petarian Foundation to build a complete IT / Technology solution for the college. This is the single largest private donation to the college to date.

The celebration of the CCP Golden Jubilee in February 2007 provided a great opportunity to be of service to the college. The Foundation made major contributions through funding and manpower assistance to make this celebration a great success.

Other activities included development of our website, and publication of our newsletters.

The Petarian Foundation continues to fulfill all legal requirements to ensure total transparency. Reports are filed with the agencies as per the law.

Details of Activities during 2006-2007:

Our activities during this year were a continuation of the thrust of activities over the previous years.

1. Scholarships for CCP cadets:

The Petarian Foundation funded 15 cadets during the fiscal year 2006-2007, providing them a total fund of Rs. 750,000, an increase of Rs. 250,000 over the previous year. Each scholarship holder was given a sum of Rs. 50,000 as scholarship. The Foundation monitors the academic and overall progress of those who availed the scholarship the previous year before announcing continuation of the scholarship for the current year as well.

The Foundation intends to continue scholarship to these 15 cadets each year until they graduate. In addition, 5 more cadets from class VIII will be added next year as well. We intend to thus increase this fund by Rs. 250,000 each year for the 5 new



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cadets to be added to this scheme each year until we have a total of 25 scholars – 5 from each class.

2. Scholarship for ex-cadet for studies at NED University

Over the past few years, the Foundation had supported one ex-cadet for his studies at LUMHS. This year, we started funding another ex-cadet for his studies at NED Engineering University. The ex-cadet had been a top student at Petaro, and was also a Cadet Captain. His annual education expenses at NED University of Rs. 32,000 per year are being met by the Petarian Foundation.

The Petarian Foundation will consider scholarships for other individual Petarians for higher studies if required.

3. CCP Teacher Training Programs

English language is the medium of education at Petaro. All science and humanities subjects are taught in English. Therefore, it is of utmost importance that the English language skills of all college teachers must be of a high caliber. A test was conducted by the Berlitz Language Center at Karachi to ascertain the language skills of the CCP teachers, and to our dismay we found out that a majority of the college teachers performed poorly.

Therefore, the Foundation hired the services of Berlitz Language Center Karachi to have a yearlong program to improve the English language skills. A two month full time crash program was conducted during the summer of 2006 at Petaro. Subsequently, during the 2006-2007 education year, one language teacher from Berlitz visited Petaro on a weekly basis to bring about the required improvements.

The program was held at the college. It is our intention to bring the college teachers to a mark of excellence in language skills, which will help them to improve communication skills and generated new ideas. We intend to continue this program with the cooperation of the college.

During the course of the year, the college teachers were able to raise their language skills by two to three degrees.

While the workshop at the Aga Khan University Institute of Educational Development attended by Prof. Jethanand Rahi and Prof. Jawaid Sharwani under Petarian Foundation sponsorship was held in 2005-2006, the payment for this is reflected in this year's statement.

4. CCP Golden Jubilee Celebrations

The Petarian Foundation joined hands with Cadet College Petaro to celebrate the Golden Jubilee of the college in the most befitting manner. Under the guidance and direction of the Board of Governors of the college, the Petarian Foundation provided utmost support in whatever way the college and the Board of Governors requested us. Our support and funding was in the following areas:



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- A total sum of over Rs. 1.34 million was spent by the Petarian Foundation to assist the college during this celebration.
- Total funding, intellectual content, designing, printing, publication of three major publications on the occasion as a Gift to Petaro. These publications were as follows:
 1. The Directory of Petarians 2007 (1,000 copies printed)
 2. Petaro and Petarians over 50 Years (1,700 copies printed)
 3. Col. J.H.H. Coombes along with a reprint of his Second World War Memoirs. (500 copies printed)
- Assistance in designing and printing of a special edition of the Cadet magazine for the Golden Jubilee
- Setting up and manning a complete registration and marketing office at Regent Plaza Hotel, Karachi to enable Petarians to have easy access. The office was managed by Mahmood Baweja. Two Petarians were employed by the Foundation full time for this work.
- Printing of brochures, making shields, other giveaways, etc
- Assisting with designs of the Golden Jubilee Monument
- Assisting in the publication of the Petaro Golden Jubilee Postage Stamp
- Assisting in raising funds through advertisements and donations to defray the costs of the Golden Jubilee.
- Helping in the arrangements for the food, tents, etc during the Golden Jubilee function, through Abdul Ahad Shaikh
- Helping in arranging the entertainment artists for the musical night function through Mahmood Baweja

5. IT / Technology Solution for the College

Shahid Mahmud, 74104, General Secretary of the Petarian Foundation was invited as the Chief Guest at the 12th Class Farewell Dinner on 5 May 2007. Kazi Zulkader Siddiqui, Chairman of the Petarian Foundation was also present. During the dinner, Shahid Mahmud announced an award of **one crore rupees** to the college in the form of an IT laboratory / Campus wide technology solution that will help the college to become a world class institution to impart quality education. The solution envisages a complete networking of the campus, hardware for the IT laboratory, offices, ante rooms, and for use by the college teachers and staff, and total software solutions for management and education. The project will be implemented over the next two years. This is the largest single private donation to the college in its history so far.

The donation is on behalf of the Petarian Foundation and the 1974 Entry.

Kazi Zulkader Siddiqui was the other key speaker at the occasion who thanked the college and the Principal Cdre. Muhammad Abid Saleem for his efforts over the past 7 years.



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6. Hajj Sponsorship

With the donations from one of our well-wishers, the Petarian Foundation started a program this year to fund one of the low level employees of the college to proceed for Hajj to Makkah. So far, in the past, the college had funded teachers and staff members for such a sponsorship scheme. However there was no scheme for the low paid employees. This the first such scheme at Petaro funded by the Petarian Foundation.

It was agreed that the candidate would be chosen through an open ballot to be held at the Petaro mosque where the imam of the mosque will draw out the name. Only persons who are regular in their prayers would be eligible for this honour. The first person thus selected was Mr. Mohsin Ali Shah, who is a bearer at the Cadets' Mess. Mr. Shah proceeded for Hajj in December 2006.

7. Welfare for College Staff and Petarians / Zakat Collections

One of the college teachers fell ill critically. The Petarian Foundation raised a sum of Rs. 150,000 to partially defray his medical costs.

The Foundation continues to raise funds as Zakat and Sadaqat for such welfare programs and assistance for college employees and Petarians where necessary.

8. Website

The Foundation website was formally launched giving details of all its activities and programs. The address of the website is <http://www.petarianfoundation.org>. The website was designed by Mansoor Razaque Qureshi, 89132/Qasim.

9. Newsletters

Two editions of our newsletter under the name of Capital Petarian were issued during the year, outlining some of our key activities and programs. These are also available on our website.

10. Full time staff for Head Office

While full time staff of over 70 people was hired at Bagh, AJK, the Petarian Foundation also hired Aamir Mumtaz Gopang as the office manager at Karachi to oversee our projects.

11. Sarbuland Village for the Rehabilitation of Earthquake Victims

As reported in the previous annual report, the Petarian Foundation took a leading role in the relief efforts and rehabilitation of victims of the 8th October 2005 earthquake in northern Pakistan and Kashmir. Within days of the devastating earthquake teams of volunteers along with relief goods and supplies were sent to Bagh, AJK.

While the bulk of the donations received (over Rs. 12.6 million) were spent during 2005-2006 for relief and reconstruction work, most of the remaining funds (nearly Rs. 4.4 million) were utilized during 2006-2007 for operations, management and maintenance of the Sarbuland Village Project.



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The Sarbuland Village project was conceived by Brig. Naeem Sadiq, Commander of 22 Brigade of the Pakistan Army. Funding in kind was provided by different NGOs as listed in last year's report. Right from its inception, the Petarian Foundation took over the operations, management and maintenance of Sarbuland Village from Brig. Naeem Sadiq.

Sarbuland Village was designed primarily to provide rehabilitation of the uprooted people of the area. During a short time, the village became the envy of the people around it.

In the first phase (built by Brig. Naeem Sadiq's team), a total of 98 homes were constructed. Subsequently, the Petarian Foundation nearly doubled the number of homes to over 180.

The Petarian Foundation signed a lease (registered with the DC Bagh Office) for a period of 15 years for the land, and paid the private owners for it.

Air Commodore (Retd) Shahid Hamid Shigri joined the Petarian Foundation soon thereafter as the Chief of Operations for our Kashmir Operations. He was a highly motivated person, providing the proper leadership with utmost zeal to make the Sarbuland project a success. Under Shahid Hamid Shigri's leadership, Sarbuland Village thrived and became the model to be followed. Unfortunately, it was not God's Will to let him continue for long. He died in a car accident on 11 March 2007 in Islamabad in the wee hours of the morning near Peshawar More. A speeding truck hit his car and he died on the spot. The Petarian Foundation is indebted to Shigri Sahib for his relentless zeal and selfless services for the Petarian Foundation. Although he never went to Cadet College Petaro, he will be remembered as if he were a Petarian.

This was the second tragedy to strike the Sarbuland Village Project in less than 7 months. Previously, on 13 August 2006, Mr. Munaf Ali, second in command to Shahid Hamid Shigri died of a heart attack in Islamabad. He had been indispensable for Shigri Sahib's work. These two events were a great setback for the Foundation in this project.

Despite these setbacks, the Foundation continued to manage and maintain the Sarbuland Village. Round the clock guard services were provided to ensure peace and harmony and keep non-social elements from causing any untoward event at the village. It should be noted that many of the residents of the village were widows and orphan girls, and it was our intention to rehabilitate them through building their financial skills and economic stature through legal means.

Thus, the vocational training center and the Sarbuland School became very important projects. The school grew to have nearly 400 children up to 8th class studying there. The quality of education was amongst the best in that city.



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The Basic Health Unit provided initial care only with referral to other hospitals in the area. Medicines were provided free of cost.

Starting initially with a staff of over 70 people at the school, health center, vocational training center, construction crews, maintenance staff, and security staff, the number was reduced over time as construction activity was withdrawn. Thus, the total staff at the end of the period was nearly 50. Staff members include teachers for the school and vocational training center, doctors, paramedical staff, maintenance crews (plumbers, electricians), sanitation staff, security guards and administration staff. Most of the people employed were local residents, which in itself is part of a rehabilitation scheme to provide employment.

With the village coming to its maturing, it is the objective of Petarian Foundation to hand over the village to the residents within the next few months.

To date, the total investment in Sarbuland Village has been to the tune of around US\$ 2 million. Most of this was received in kind from various organizations or individuals. In addition, the Petarian Foundation has been funding the total operational and maintenance costs from the funds collected for the purpose.

Board of Directors:

The Board of Directors continues to be as follows:

- Kazi Zulkader Siddiqui, Chairman
- Shahid Mahmood, General Secretary
- Mahmood Baweja, Treasurer
- Tajammul Husayn, Director
- Qaisar Zaman, Director

Sd.

Chairman
The Petarian Foundation

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AUDITORS REPORT

We have audited the annexed balance sheet of **PETARIAN FOUNDATION** as at June 30, 2007 and the Profit & Loss Account for the year then ended and the related notes to the aforesaid financial statements, forming an integral part thereof, and we report that the financial statements, together with the notes to the accounts annexed thereto, are in accordance with the information given and explanation provided.

In our opinion, and to the best of our information and according to the explanations given, the balance sheet as at June 30, 2007 and the Profit & Loss Account together with the notes, forming part thereof, for the Year then ended on the aforesaid date, have been drawn in accordance with the information given and records produced.

Place: Rawalpindi

Date: 14-06-08

AGHA MUJEEB & CO

Chartered Accountants

AGHA MUJEEB & CO
Chartered Accountants
The Mall, Rawalpindi.
Ph: 5562582, 0333-5118780

CHARTERED ACCOUNTANTS

Suite # 11,12,13, First Floor, Mall Plaza Annexe, Money Changers Market, The Mall, Rawalpindi. Pakistan.

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PETARIAN FOUNDATION
BALANCE SHEET
AS ON 30 JUNE 2007

	Notes	AMOUNT (Rupees) 2007	AMOUNT (Rupees) 2006
<u>RESERVES AND LIABILITIES</u>			
SURPLUS RESERVE			
Surplus receipts for the year		1,300,111	5,124,447
Accrued Liabilities	3	55,203	747,505
		1,355,314	5,871,952
<u>PROPERTY AND ASSETS</u>			
Fixed Assets	5	478,480	747,625
CURRENT ASSETS			
Advances with staff	6	-	816,541
Prepaid Expenses	6	-	5,000
Security Deposit	6	20,000	20,000
Cash and bank balances	4	856,834	4,282,785
		876,834	5,124,326
		1,355,314	5,871,951

Annexed Notes form an integral part of these financial statements.


President




General Secretary



**PETARIAN FOUNDATION
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED ON 30 JUNE 2007**

	Notes	AMOUNT (Rupees) 2007	AMOUNT (Rupees) 2006
Receipts	7	3,209,559	16,722,245
Earthquake Relief/Reconstruction Expenses	8	4,387,726	12,601,221
Teacher Training expenses	9	219,000	9,049
Students Scholarship given	10	782,000	510,000
Welfare for CCP employees and Petarians	11	295,153	
CCP Golden Jubilee Expenses	12	1,342,386	
Gross Surplus (Deficit)		(3,816,706)	3,601,975
Administration and general expenses	13	7,630	120,732
Operating Surplus (Deficit)		(3,824,336)	3,481,243
Unappropriated Surplus / (Deficit) brought forward		5,124,447	1,643,204
Unappropriated Surplus / (Deficit) carried forward		1,300,111	5,124,447

Annexed Notes form an integral part of these financial statements.


President




General Secretary



**PETARIAN FOUNDATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30TH JUNE 2007**

1. STATUS AND NATURE OF BUSINESS

The Society was registered on 15th day of December 2003 under the Societies Act 1860. The Society is principally engaged and setup for the benefit of Alumni Employees and Ex-employees of Cadet College Petaro, offer scholarship, stipends, awards, distribution of free course books to needy and deserving students and to setup educational institutions, establish and operate blood banks.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Accounting convention

These accounts have been prepared under the historical cost convention.

2.2 Taxation

No provisions for current taxation is made on surplus receipts as the sponsors of Society intend to apply for exemption from Income Tax and they have reasons to believe that the Society shall be successful in getting the said exemption.

2.3 Fixed capital expenditure

Presently the Society does not have fixed assets, and the management shall maintain Fixed assets at cost less accumulated depreciation and depreciation shall be calculated on reducing balance method. Depreciation shall be charged for full year in the year of purchase while no depreciation shall be charged in the year of disposal.

2.5 Receipts & Payment recognition

Receipts and payments are recognized upon actual delivery or receipt of Cash.

	AMOUNT (Rupees) 2007	AMOUNT (Rupees) 2006
3 Accrued Liabilities		
Fee Payable	7,505	7,505
Golden Jubilee publications balance	39,774	
Payable bagh camp (staff)	7,924	
Bagh Camp Salaries Payable		740,000
	<u>55,203</u>	<u>747,505</u>

	AMOUNT (Rupees) 2007	AMOUNT (Rupees) 2006
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4 CASH AND BANK BALANCES

Cash in hand	139,746	14,455
Cash at bank	717,088	4,268,330
	<u>856,834</u>	<u>4,282,785</u>

	AMOUNT (Rupees) 2007	AMOUNT (Rupees) 2006
5 Fixed Assets Tangible		
Vehicle (Shehzore truck 2005 model) At cost	466,336	728,650
Motor Bike (Used) At cost	12,144	18,975
	<u>478,480</u>	<u>747,625</u>
6 Current Assets		
Prepaid Exp (Aamir Salary July-06)	-	5,000
Advances for Bagh Project expenses		816,541
Security Deposit for tel connection at Rerah, Bagh	20,000	20,000
	<u>20,000</u>	<u>841,541</u>
7 RECEIPTS		
Donations for Earthquake relief / reconstruction	1,130,790	16,663,245
Membership fees	1,000	15,000
CCP Golden Jubilee ads, books sale, donations	916,865	
Zakat & Welfare donations	184,100	
Donation for Hajj Sponsorship Scheme of CCP Employee	265,000	
Other donations	63,000	
Scholarship Donation	648,804	44,000
Total Receipts	<u>3,209,559</u>	<u>16,722,245</u>
8 Earthquake Relief Expenditures		
<u>Relief Camp, Rerah expenses</u>		
Rerah, Bagh Relief Camp establishment expenses		173,000
Earth quake relief goods distributed (food items)		1,126,920
Earth quake Tent relief goods distributed (Tent)		3,085,150
Earth quake relief goods distributed (Eid gifts for children at H-9)		622,200
Earth quake relief goods distributed (Clothing at Bagh)		91,540
	<u>0</u>	<u>5,098,810</u>
<u>Medical relief & BHU / shelter reconstruction</u>		
Construction Material for 5 BHU'S & 20 Shelters		1,480,998
BHU'S Furniture, Equipments		419,490
Medicine for Earthquake Affectees		571,381
Salaries & Wages (Doctors & Coordinators)	400,100	623,579
Air Fare Doctor travelling from Karachi to Islamabad	31,328	187,662
Prescription slips, etc printing & stationary		50,724
	<u>431,428</u>	<u>3,333,834</u>
<u>Sarbuland Public School Expenses</u>		
Salaries & Wages (Sarbuland School staff)	848,500	827,696
Printing, stationary, etc	10,972	
School Furniture/Banners		85,000
	<u>859,472</u>	<u>912,696</u>
<u>Sarbuland Village construction/maintenance Expenses</u>		
Material & Labour for infrastructure Dev & Construction	1,312,275	1,805,309
Electricity Bills		133,091
Salaries & Wages (Sarbuland Security & Maintenance Staff)	1,124,540	493,428
Bagh Camp Messing Exp	151,147	155,584
Carriage Freight for Relief goods & Construction Material		260,647
	<u>2,587,962</u>	<u>2,848,059</u>

	AMOUNT (Rupees) 2007	AMOUNT (Rupees) 2006
<u>Administrative Expenses</u>		
Vehicle Repair & Maint. at Bagh Camp	44,762	49,057
Vehicle Fuel & Toll Tax	120,128	223,837
Vehicle Insurance	22,930	
Vehicle Deprecation	269,145	
General Admin Exp	13,388	75,606
Communication Exp	37,595	12,989
Postage Exp.		1,796
Traveling exp/TA DA	915	44,537
	508,864	407,822
Total Earthquake Relief & Reconstruction expenses	4,387,726	12,601,221
9 CCP TEACHER TRAINING		
CCP Teacher Training at Berlitz Centre	200,000	
CCP Teacher Training at Aga Khan Center	19,000	
Ait tickets for trainees (CCP teachers)		9,049
	219,000	9,049
10 STUDENT SCHOLARSHIP		
Scholarship for CCP students	750,000	500,000
Scholarship for CCP ex-cadets for higher studies	32,000	10,000
	782,000	510,000
11 Welfare for CCP employees & Petarians		
Hajj sponsorship scheme for CCP employee	145153	
Medical expenses relief for CCP teacher	150,000	
	295,153	
12 CCP Golden Jubilee Expenses		
Postage & cargo expenses for Golden Jubilee books	33,564	
Printing of Golden Jubilee books	943,400	
Salaries for Staff for Golden Jubilee	263,500	
Golden Jubilee Expenses for ad support	101,922	
	1,342,386	0
13 ADMINISTRATIVE & GENERAL EXPENSES		
Salaries - Head Office	0	50,000
Legal & Professional Fee		25,130
Insurance charges		24,235
Bank charges Karachi and Islamabad	7,630	21,367
	7,630	120,732


President




General Secretary



**PETARIAN FOUNDATION
OPERATING FIXED ASSETS - TANGIBLE
FOR THE YEAR ENDED ON 30 JUNE 2007**

	COST		DEPRECIATION		WRITTEN DOWN VALUE		Annual rate of depreciation
	As at 1 July 2006	As at 30 June 2007	As at 1 July 2006/ Adjustments	For the Year June 2007	As at 30 June 2007	As at 30 June 2007	
<u>Owned assets</u>							
Vehicles Shahzore	728,650	728,650	145,730	116,584	262,314	466,336	20%
Motor Cycle	18,975	18,975	3,795	3,036	6,831	12,144	20%
	747,625	747,625	149,525	119,620	269,145	478,480	
Rupees	747,625	747,625	149,525	149,525	269,145	478,480	



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