



# 6th Annual Report of the Petarian Foundation

July 1

# 2010

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The following pages outline the activities and achievements of the Petarian Foundation during the fiscal year 2009-2010. The complete Audited Statements for the year are also appended.

**Including  
Audited  
Statements**

## **Executive Summary**

This sixth annual report of the Petarian Foundation covers the period 1 July 2009 to 30 June 2010, along with audited statements that are appended to this report.

Like in past years, Education remained the focus of the Foundation this year, with a greater emphasis on Cadet College Petaro and Petarians. The scholarship program, welfare activities for the staff of the college and Petarians, sponsorship of one junior employee for Hajj, counseling and support for junior ex-cadets, and the IT/Technology solution for the college remained in focus during this year.

The IT/Technology solution for the college was completed this year, and it was inaugurated by ex-Principal Professor M.A. Bhatti.

The Foundation became the main sponsor to build a secondary school at Petaro under the management of The Citizens' Foundation. Previously, TCF had already built a primary school which was catering to the needs of the children of Petaro employees, and the children from Petaro village. The Foundation started a fund raising drive and laid the foundation stone of the A.M. Nizamani-TCF Secondary School.

The scholarship program for cadets at Petaro got a major boost, and the outlay was increased to nearly Rs. 1.5 million which was disbursed for 46 cadets.

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

Pakistan Council for Philanthropy has started its due diligence for registration of Petarian Foundation. We hope to get formal recognition soon.

## **Details of Activities during 2009-2010:**

### **1. IT / Technology / Automation Solution for the Cadet College Petaro**

This project which was initiated in 2007 and funded by Shahid Mahmud with over Rs. 1 crore in kind, General Secretary of the Petarian Foundation, was finally inaugurated and completed.

It was formally inaugurated by Professor M.A. Bhatti, ex-Principal, Cadet College Petaro on 15 November 2009 in the presence of several Petarians including the Chairman of the Petarian Foundation Kazi Zulkader Siddiqui.

It is the largest single project of the Petarian Foundation for the college. The solution included computer hardware, wireless and cable networking, internet connectivity through broadband, software solutions, and a sea change in how the students of Petaro will be able to use technology to its fullest extent in the future.

Details of the project design and implementation are given in the 2009 Annual Report.

### **2. A.M. Nizamani-TCF Secondary School Project**

With the successful establishment and operation of the TCF Primary School at Petaro, the Foundation decided to sponsor the construction of a secondary school also managed by TCF at Petaro.

Nearly half of the funds required for the construction have already been collected and paid to TCF.

It was decided to name the school after the great (late) Mr. A.M. Nizamani who the visionary behind the establishment of Cadet College Petaro. Mr. Nizamani was the Director of Education in the mid-1950s, and his work in promoting and establishing Cadet College Petaro must be recognized. Thus, this school is now called A.M. Nizamani-TCF Secondary School.

A foundation laying ceremony for this school was held on 15 November 2009 with Pir Mazharul Haq, Senior Minister for Education of Government of Sindh as the Chief Guest. Professor M.A. Bhatti, ex-Principal of Cadet College Petaro was also present on the occasion as a very special guest.

The school is planned to be in operation in the Fall of 2011.

**3. Scholarships for CCP cadets:**

The Petarian Foundation increased its outlay for scholarships to CCP cadets to Rs. 1.5 million this year. A total of 46 cadets were granted scholarships based on need-cum-merit. The value of each scholarship ranged between Rs. 20,000 to 45,000. The requirements for evaluation are being made more stringent in order to ensure that only the deserving ones are the recipients. This has been a key program which the Foundation continues to support.

**4. Scholarship for ex-cadets for higher studies at NED University**

The Foundation continued support for one of the outstanding ex-cadets for his studies at NED University. This is the fourth year of support. We continued the Rs. 50,000 scholarship for him. The Petarian Foundation will consider scholarships for other individual Petarians for higher studies if required.

**5. CCP Teacher Training Programs**

During the course of this year, further teacher training programs have been evaluated which may benefit the CCP teachers in future years. We continue to support this activity in order to improve the quality of education at Petaro.

**6. Hajj Sponsorship**

This is the fourth consecutive year when the Petarian Foundation has funded 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. The chosen candidate for this year was Azher Hussain, Senior Clerk, Accounts Branch. He proceeded for Hajj in December 2009.

**7. Welfare for College Staff and Petarians / Zakat Collections**

One of the key welfare projects for the year was to fund the purchase of a small home for one of the very senior Petarians who had retired as a teacher, and who was virtually homeless as he could not afford to buy one. This ensured that he would have at least a decent home to live in.

The Foundation continues to raise funds as Zakat and Sadaqat for such welfare programs and assistance for college employees and Petarians where necessary. We try to respect the dignity and privacy of the recipients and do not advertise their names.

#### **8. Website**

The Foundation's official website <http://www.petarianfoundation.org> is constantly updated.

#### **9. Manpower**

For the past four years, the accounts staff of Techcorp Holding (Pvt) Ltd. has provided full accounting services to Petarian Foundation on gratis basis. This service continues on the same basis.

#### **Board of Directors:**

The Board of Directors was re-constituted according to the by-laws of the Foundation in December 2008. The new Board members are as follows:

- Kazi Zulkader Siddiqui, Chairman
- Shahid Mahmood, General Secretary
- Mahmood Baweja, Treasurer
- Tajammul Husayn, Director
- Rear Adm.(R) Shahid Farooq, Director

#### **Other Key Volunteers**

More and more Petarians are coming forward to support the activities of the Foundation. In this regard, Tallat Mahmood Khan and Kausar Iqbal Malik joined the organization as Advisors.

Sd.

Chairman  
The Petarian Foundation

## AUDITORS' REPORT TO THE MEMBERS

We have audited the accompanying balance sheet of **PETARIAN FOUNDATION** as at 30<sup>th</sup> June 2010 and the related receipts and payments account for the year then ended. These financial statements are the responsibility of the society's management. Our responsibility is to express an opinion on these financial statements based on our audit.

### SCOPE OF WORK

We conducted our audit in accordance with International Standards on Auditing as applicable in Pakistan. Those standards require that we plan and perform audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

### OPINION

In our opinion and to the best of our information and according to the explanations given to us, the balance sheet, receipts and payments account give a true and fair view of the state of the society's affairs as at 30<sup>th</sup> June 2010 and of the surplus /(deficit) for the year then ended.

Place: Rawalpindi  
Date: 31-12-2010

  
**AGHA MUJEEB & CO**  
Chartered Accountants

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Chartered Accountants  
The Mall, P.O. Box 111  
Rawalpindi-4245, Pakistan

## **CHARTERED ACCOUNTANTS & LICENSED INTERNATIONAL FINANCIAL ANALYSTS**

Suite # 11,12,13, First Floor, Mall Plaza Annexe, Money Changers Market, The Mall, Rawalpindi. Pakistan  
Ph # 051-5562582, 5521157-8 Fax: +92-51-5564245 Cell: 0333-5118780

E-mail : agha\_mujib@yahoo.com - amujeeb@comsats.net.pk Website: www.ghamujeeb.com



PETARIAN FOUNDATION  
BALANCE SHEET  
AS ON 30 JUNE 2010

	Notes	AMOUNT (Rupees) 2010	AMOUNT (Rupees) 2009
<b><u>RESERVES AND LIABILITIES</u></b>			
<b>SURPLUS RESERVE</b>			
Surplus receipts for the year		1,088,629	1,136,542
Accrued Liabilities	3	30,000	515,005
		<b>1,118,629</b>	<b>1,651,547</b>
<b><u>PROPERTY AND ASSETS</u></b>			
Fixed Assets	5	238,764	306,228
<b>CURRENT ASSETS</b>			
Advance with staff	6	-	7,088
Prepaid Expenses		-	-
Security Deposit		-	-
Cash and bank balances		879,865	1,338,231
		879,865	1,345,319
		<b>1,118,629</b>	<b>1,651,547</b>

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 2010

	Notes	AMOUNT (Rupees) 2010	AMOUNT (Rupees) 2009
Receipts	7	3,618,901	1,944,727
Earthquake Relief/Reconstruction Expenses	9	-	-
Teacher Training expenses	10	0	-
Students Scholarship	11	1,545,000	200,000
Welfare for CCP employees and Petarians	12	996,500	230,000
IDP's of Swat	14	0	1,022,000
AM Nizamani-TCF School Construction Exp	15	998,450	
<b>Gross Surplus</b>		<b>78,951</b>	<b>194,727</b>
Administration and general expenses	13	127,096	156,145
Operating Surplus (Deficit)		(48,145)	38,582
Other Income Gain / (Loss)	8	227	
Unappropriated Surplus / (Deficit) brought forward		1,136,542	1,097,960
<b>Unappropriated Surplus / (Deficit) carried forward</b>		<b>1,088,624</b>	<b>1,136,542</b>

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 2010**

**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 do not have any fixed assets however 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) 2010	AMOUNT (Rupees) 2009
<b>3 Accrued Liabilities</b>		
Fee Payable	30,000	15,000
IDP's Expenses Payable	0	500,005
	<u>30,000</u>	<u>515,005</u>
<b>5 Fixed Assets Tangible</b>		
Vehicle (Shehzore Less Dep)	238,764	298,455
Motor Bike (Used less Dep)	0	7,773
	<u>238,764</u>	<u>306,228</u>





	AMOUNT (Rupees) 2010	AMOUNT (Rupees) 2009
<b>6 Current Assets</b>		
<b>Cash &amp; Bank Balances</b>		
Cash in hand	7,556	6,404
Cash at bank	872,309	1,331,827
	<u>879,865</u>	<u>1,338,231</u>
<b>Camp Staff Advances</b>		
Advances for Bagh Project expenses	0	7088
	<u>0</u>	<u>7,088</u>
<b>7 RECEIPTS</b>		
A.M. Nizamani Sec School-TCF Donation	1,053,074	
Membership fees	1,000	
CCP Golden Jubilee ads, books sale, donations	3,400	2,950
Zakat & Welfare donations	296,367	0
Donation for Hajj Sponsorship Scheme of CCP Employee	460,000	416,920
Donation for Swat IDP'S		1,022,000
Scholarship Donation	1,089,863	
General Donation	715,202	502,857
<b>Total Receipts</b>	<u>3,618,906</u>	<u>1,944,727</u>
<b>8 Other Gain/(Losses)</b>		
Loss on sale of Fixed Assets (FAS)	227	
<b>Total Receipts</b>	<u>227</u>	<u>0</u>
<b>9 Earthquake Relief Expenditures</b>		
<b>Sarbuland Public School Expenses</b>		
Salaries & Wages (Sarbuland School staff)	0	298,000
Printing, stationary, etc	0	298,000
<b>Total Earthquake Relief &amp; Reconstruction expenses</b>	<u>0</u>	<u>298,000</u>
<b>10 CCP TEACHER TRAINING</b>		
CCP Teacher Training at Berlitz Centre		
CCP Teacher Training at Aga Khan Center	0	0
<b>11 STUDENT SCHOLARSHIP</b>		
Scholarship for CCP students	1,495,000	150,000
Scholarship for CCP ex-cadets for higher studies	50,000	50,000
	<u>1,545,000</u>	<u>200,000</u>



	AMOUNT (Rupees) 2010	AMOUNT (Rupees) 2009
<b>12 Welfare for CCP employees &amp; Petarians</b>		
Hajj sponsorship scheme for CCP employee	637,000	230,000
Purchase of home for needy senior Petarian	359,500	0
	<u>996,500</u>	<u>230,000</u>
<b>13 ADMINISTRATIVE &amp; GENERAL EXPENSES</b>		
Salaries - Head Office	0	0
Audit Fee	15,000	15,000
Legal & Professional Fee	0	50,000
Vehicle Deprecation	59,691	76,557
Insurance charges	0	0
General Admn & Communication Exp	38,432	12,027
Traveling exp/TA DA for employees	13,500	0
Bank charges Karachi and Islamabad	473	2,561
	<u>127,096</u>	<u>156,145</u>
<b>14 Internally Displaced Persons (IDPs) from Swat</b>		
IDP's Expenses (Through Abdalian Association)	0	1,022,000
	<u>0</u>	<u>1,022,000</u>
<b>15 Construction of A.M. Nizamani - TCF School</b>		
	998,450	0
	<u>998,450</u>	<u>0</u>



OPERATING FIXED ASSETS - TANGIBLE

	COST		DEPRECIATION		WRITTEN
	As at 1 July 2009	As at 30 June 2010 Additions / (Deletion) *Transfer	As at 1 July 2009/ *Adjustments	For the Year June 2010	DOWN VALUE As at 30 June 2010
<u>Owned assets</u>					
Vehicles Shahzore	728,650	-	430,195	59,691	238,764
Motor Cycle	18,976	*	11,203		7,773
***		(18,976)	(11,203)		(7,773)
<b>Rupees 2010</b>	<b>747,626</b>	<b>(18,976)</b>	<b>430,195</b>	<b>59,691</b>	<b>238,764</b>
<b>Rupees 2009</b>	<b>747,626</b>	<b>(18,976)</b>	<b>441,398</b>	<b>76,557</b>	<b>306,228</b>

\*\*\*Note: Motor Cycle was sold for Rs.8000. The written down value of the Motor cycle at the end of June 2010 is Rs.7773 Net Gain on Sale Fixed Asstes is recognized Rs.227



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