



The Kaghan Memorial Trust

Annual Report

for the Financial Year 2019-2020

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PART 1

The Trust, the School and the Mission

1.1 Introduction to KMT and KMS

The Kaghan Memorial Trust (KMT) is a non-profit Charitable Trust that was registered in Islamabad, Pakistan, in the aftermath of the earthquake of October 2005 that destroyed large swathes of Northern Pakistan. Since its inception, the Trust has been focused exclusively on building and operating its charitable Kaghan Memorial School (KMS) in the Kaghan Valley, one of the areas most devastated by the earthquake. This School provides **education of a high standard, completely free of cost, to disadvantaged children** from the area.

The management and administration of KMT are overseen by a Board of Trustees headed by an elected Managing Trustee. This Board is also responsible for developing, organizing and implementing the Trust's fundraising programme. The Trustees of KMT are all members of civil society who have a genuine desire to deliver 'meaningful' education to those who cannot afford it. All Trustees contribute their time and efforts to KMT on a volunteer basis.

KMS launched its first classes in September 2008, and the institution had an enrolment of approximately 650 children in the 2020 Academic Year. These students are divided into 23 classes ranging from Kindergarten to Grade 12 (10 of the grades have two sections each, whereas 3 have one section). Our enrolment is progressively increasing, as existing classes graduate to the next level each year and as new kindergarten classes are inducted at the beginning of every new academic year.

The first batch of students shall graduate from KMS in 2021 after appearing for their Higher Secondary School exams. KMT is determined to continue support for these children after their graduation from our school by giving them scholarships for completing their bachelor's degrees in universities around Pakistan. The commitment of the Trust is therefore to provide education of a high standard to these children, starting from Kindergarten and going up all the way to a bachelor's degree. That is 17 years of schooling!

KMT is, at the moment, committed solely to building and operating the Kaghan Memorial School. Once this school is fully built and financially stable, hopefully over the next few years, the Trustees of KMT aim to eventually build two more schools of this type in other remote areas of Pakistan. For the time being, however, the Trust is exclusively focused on ensuring that KMS is established on a solid foundation that will ensure that it becomes an institution of excellence and of genuine opportunity for the disadvantaged children of the Kaghan Valley.

We have high aspirations for this school, which are described in detail in the following Mission Statement (a.k.a. our Organisational Philosophy), which is the basis for everything that we are trying to achieve with the Kaghan Memorial School.



1.2 KMT's Mission Statement

Supporting sustainable development in the Kaghan Valley through the provision of quality education to disadvantaged children from the area.

The Trustees of KMT are committed to ensuring that the children enrolled in KMS receive a meaningful education that will allow them to choose and aspire to any future career or life goals that they may set for themselves. All too often, in a developing country such as Pakistan, such children are condemned to second-rate schooling just because of their poverty and because of the lack of interest on the part of the concerned authorities to provide them with anything more than the bare-minimum educational services. Spending extra money on providing quality schooling to such children is considered 'wasteful' and 'extravagant'; an opinion shared, unfortunately, by many in civil society as well. This is why even private sector charitable initiatives for educating the underprivileged are also overwhelmingly designed on the principle of providing the most basic education to as many children as possible.

KMT disagrees with this approach completely, and at the outset the Trustees had resolved that any schools that KMT built would provide education of a standard that the Trustees expected for their own children. Firmly engrained in KMT's organisational philosophy is the conviction that a sub-standard education only adds to frustration and discontentment in society, as this instils a hope for a better future amongst the targeted children and their families, without delivering to those children the capacity or the competence to go on in life and realize those elevated expectations. Products of such ill-designed educational systems end up, after ten or twelve or even fourteen years of so-called schooling, right where their parents had been before them i.e. in the unskilled or semi-skilled labour market.

KMT believes that only through the provision of quality education can the underprivileged break free from the chronic cycle of poverty and suffering that their families have been condemned to for generations. The Trustees are convinced that given the opportunities that have traditionally been the reserve of the rich and the privileged in this country, children from extremely disadvantaged backgrounds can do just as well as, if not better than, their more affluent counterparts.



We are confident that with the type of schooling and nurturing being provided to its students by KMS, these children will one day become strong agents for positive and sustainable development for their families, their communities, and their country. This is the ultimate vision for this School, and KMT will do whatever it can to ensure that this vision becomes a reality.

The mission of the School does not stop at education alone. The Trustees of KMT are concerned about the overall well-being of the students, and they are therefore taking a holistic approach to the upbringing of each child at KMS. This approach includes taking care of their health and hygiene needs, providing them with educational materials such as books, notebooks, stationery etc., as required, and providing them with transportation to and from school each school day. As with education, all of these additional services are provided by the Trust completely free of cost.

1.3 Profile of the target area

KMS is located in the village of Kawai in the Kaghan Valley of northern Pakistan. The Kaghan Valley is roughly 160 km long, with a population of approximately 250,000 people¹ prior to the devastating 2005 earthquake. Administratively, the Valley is part of the Balakot Tehsil (Sub-district) of Mansehra District in the Khyber Pakhtunkhwa (KP) province of Pakistan. Balakot town had a pre-quake population of roughly 15,000. This whole area was already one of the most underdeveloped regions of Pakistan, with an overwhelming majority of its population barely living at subsistence levels. Tourism was the only industry, and that too was largely seasonal and restricted to the summer months.

The devastation wrought by the earthquake made matters exponentially worse for the residents of this remote mountainous valley, completely leveling Balakot town and tearing up practically all infrastructure, including houses, roads, schools, hospitals, hotels, water supply systems etc. The tourism industry also came to a grinding halt with the destruction of the infrastructure, leaving the locals even without that source of income for at least three years following the calamity. Over the past few years, however, with the rebuilding of roads and hotels, tourism has again started to pick up momentum, and that industry is now finally back to its pre-earthquake levels.

However, the road to recovery has been long and slow, with much of the rebuilding only partially completed. Infrastructure in the area, furthermore, continues to suffer damage each year due to seasonal rains, landslides and floods. An overwhelming majority of the population of the region remain at levels of minimal subsistence living, with little or no prospect of improvement or respite.

The Kaghan Memorial School serves the children of Kawai, as well as those of the surrounding area that includes the villages of Paras, Bela Sacha, Ghanool and the town of Balakot. These five communities alone represent a population of approximately 50,000.



¹ Figure obtained from *OCHA Flood Affected Population Tracking System* that lists Tehsil Balakot as having an estimated population of 275,642. The Kaghan Valley constitutes most of the Balakot Tehsil in area and in population.

1.4. KMT Trustees during FY 2019-2020

Khurram Khan	<i>Managing Trustee</i>
Syed Junaid Ali Qasim	<i>Trustee</i>
Kashif Khwaja	<i>Trustee</i>
Maryam Khan	<i>Trustee</i>
Nasir Afridi	<i>Trustee</i>
Jennifer Leah Ankrom	<i>Trustee</i>
Ijlal Ahmed Khattak	<i>Trustee</i>



1.5. Key statistics for the Kaghan Memorial School during FY 2019-2020²

Number of students		
- at the start of the financial year		586
- at the end of the financial year		652
Number of classes		
- at the start of the financial year		21
- at the end of the financial year		23
Number of teachers		
- at the start of the financial year		33
- at the end of the financial year		29
Number of teaching assistants		
- at the start of the financial year		6
- at the end of the financial year		5



² The number of teachers has reduced by the end of the financial year as compared to the start of the year in spite of the number of classes having increased over the same period. This is because the School was unable to recruit new teachers for the 2020 academic year due to the Coronavirus pandemic lockdown. New teachers will be recruited as soon as the lockdown is lifted and the School can resume operations.

PART 2

Progress Report for FY 2019-2020

2.1 Main priorities for FY 2019-2020

2.1.1 Academics

- a. Deliver quality education to all grade levels at KMS;
- b. Prepare KMS students of grades 9, 10 & 11 for the Abbottabad Board external examinations scheduled for March / April, 2020;
- c. Oversee the expansion of KMS to its highest planned grade level i.e. Grade 12 in April 2020;
- d. Start exploring undergraduate admissions opportunities for KMS Grade 12 students.

2.1.2 Construction and Campus Development

- a. Complete construction of two classrooms funded by Mr. Wasim ud Din / Oceandusk Group;
- b. Complete construction of two classroom self-funded by KMT;
- c. Start construction of the main block of the KMS Senior School for Boys;
- d. Start construction of the first block of the KMS Senior School for Girls;
- e. Complete furnishing of the KMS Central Library.

2.1.3 Administrative

- a. Register KMT with the Economic Affairs Division (EAD), Government of Pakistan;
- b. Register KMT with the Private Schools Regulatory Authority, Government of Khyber Pakhtunkhwa Province (KP-PSRA);
- c. Attain Tax-Exempt status for KMT from the Federal Board of Revenue (FBR).

2.1.4 Fundraising

- a. Secure funding from Pakistan State Oil (PSO) for construction of the Main Block of the KMS Senior School for Boys;
- b. Secure funding for furnishing of the KMS Central Library;
- c. Identify and secure donor funding for the first block of the KMS Senior School for Girls;
- d. Increase annual revenues from KMT's Sponsor a Child Programme to at least Rs. 10 million;
- e. Organise at least two fundraising events during the financial year;
- f. Identify and secure new donors to cover KMT and KMS operational costs.

2.2 Progress, challenges and shortfalls in the attainment of targets set for the year

2.2.1 Academics

a. *Deliver quality education to all grade levels at KMS*

Academic Progress of Grades KG to 8

KMS completed the first term of its 2019 academic year on July 9, and following a summer break of approximately 3 weeks, the second term and the academic year were successfully conducted from August 5 to December 13. The curriculum attainment goals for all grade levels, from Kindergarten to Grade 11, were successfully attained by the end of the academic year. As per routine, the conclusion of the second term was preceded by the annual end-of-year examinations, which determined which students would progress to the next grade level and who would be retained in their current grades for a second year - if their scores

demonstrated a need for extra effort and time to ensure their comprehension of the concepts and content of their coursework. An overall pass mark of 50% and failure in no more than one or two subjects (determined by the type of subject, as described in section 2.1.1.b. above) are the minimum requirement for promotion at KMS.



The School closed for its winter break of roughly 3 months from December 14, 2019 to March 8, 2020, and admissions interviews were conducted on campus in the second half of December for induction of two new classes of kindergarten children in the upcoming 2020 academic year. 72 children from financially deprived households were selected as part of this process.

KMS re-opened for the 2020 academic year on Monday, March 9, but the School had to shut down due to the Coronavirus lockdown on Saturday, March 14, and remained closed for the remainder of the reporting period i.e. up to the end of June, 2020. As a result of this lockdown, practically the entire first term of 2020 was lost to the students as no academic activity could take place between March 14 and June 30. Whereas several institutions in urban centres started offering online classes to their students a few weeks after the lockdown came into effect, KMS did not have that luxury, firstly due to a lack of high-speed internet facilities in most of the Kaghan Valley, and secondly because the School's students do not have smart internet-enabled devices to access online classes (due to the fact that they belong to poor families).

The end of the financial year therefore saw KMS in a worrying situation, where the School had already lost 3.5 months of its academic year, with no confirmed idea of when it would be able to re-open and resume its academic programme. The Trustees of KMT were most concerned with how the institution would be able to complete its curriculum goals for the year, but as with other schools around the country that couldn't offer online classes, there was nothing that could be done except to wait and hope for the earliest possible resumption of classes by the authorities concerned.

b. Prepare KMS students of grades 9, 10 & 11 for the Abbottabad Board external examinations scheduled for March / April, 2020

Winter Camp for Grades 9, 10 & 11

To prepare the students of the three most senior grades at KMS for their board examinations that were scheduled for March/April, 2020, KMT organized its annual two-month winter camp at the School from January 1 to February 28, 2020. All students of grades 9, 10 and 11 were required to attend this camp while the rest of the School was closed for Winter Break. Since each of the three grade levels represented at the Winter Camp has one section for girls and another for boys, six classrooms were furnished with heating to make them as comfortable as possible during the severely cold winter. 10 of the School's teachers supervised the six classes in January, whereas 8 teachers oversaw the review and revision process during the month of February. These teachers helped their students to fully revise their classwork from the preceding year during the two months of the camp, while also conducting periodical mock exams that were based upon past exam papers of the Abbottabad Board. The full mock exams that the children had to sit through helped familiarize them with the format of the exams that they would have to appear for in a few weeks' time, giving them a good opportunity to practice their pacing, in particular, when attempting each exam paper.

Having successfully readied our students for the upcoming examinations by the end of February, the three classes and their teachers were allowed 8 days of leave before School resumed for the new academic year on March 9. The plan was to have grades 9, 10 & 11 continue with their revisions upon their return to the School, up to the start of the Board examinations (on different dates for each grade level) later in the month.

As mentioned earlier, barely 5 days after the School had re-opened, however, the provincial and federal governments announced a complete lockdown of all educational institutions in the Khyber Pakhtunkhwa province and around most of the rest of the country, effective from March 14, due to the global Coronavirus Pandemic. Prior to the lockdown, the KMS Grade 9 students had already sat for their first board exam on March 13. Given the notification of the lockdown, KMT complied accordingly by closing the School down and advising its students and staff to stay at home till further notice. Over the weeks that followed, the Government announced progressively delayed dates for re-opening of schools, and, at the end of the period covered by this report i.e. June 30, the last announced date for re-opening was September 15. This date was also subject to review and possible further revision, depending on the situation closer to the date. Furthermore, after initially hinting at rescheduled board examinations, it was finally decided by the authorities to outright cancel all such tests for 2020 and to automatically promote to the next grade level, all students who were scheduled to have appeared in those exams. Students who were to have appeared in their Matric (Grade 10) board exams were assigned scores based on their previous year's (Grade 9) board results, while students who missed their Second Year (Grade 12) exams were given marks based on their First Year (Grade 11) scores. Grade 9 and Grade 11 students who missed their board exams in 2020 were promoted without any scores, and their grades will now solely depend on their 2021 board examinations for Grades 10 and 12 respectively.

The School remained closed from March 14 up till the end of the financial year and there has been no academic activity during this period due to severely limited internet facilities in the Kaghan Valley and also because our students do not have the financial capacity to arrange for smart tools to access online learning resources. The households that these children belong to do not even have televisions through which they may have been able to access the various educational programmes that were launched on public television channels for students

studying at home. Unlike schools in urban centres that were able to initiate online classes and offer alternative learning tools to their students, therefore, for KMS the lockdown meant exactly that i.e. a complete cessation of all educational activities. We are concerned about the impact that this closure will have on the academic attainment of our School's children, having already lost almost one full term to the lockdown by June 30. However, as with the rest of the world, KMT and KMS can do nothing but wait and hope for the pandemic to be controlled in Pakistan at the earliest possible date, so that we can resume regular operations as soon as the Government allows us to do so. The situation, unfortunate as it is, is beyond any individual institution's control, and we will just have to work extra hard to make up for lost time once we do re-open our classes.

- c. *Oversee the expansion of KMS to its highest planned grade level i.e. Grade 12 in April 2020*

Board Exams for Grades 9, 10 & 11

With the closure of all educational institutions in the province from March 14, the 2020 board exams for KMS Grades 9, 10 & 11 were initially postponed, and then, eventually, cancelled through notifications by the federal and provincial governments. . All students of these three grades stood promoted to the next grade level following the decision of the relevant authorities in this regard, with Grade 10 students given scores based on their Grade 9 results. These students were given 3% more marks for Grade 10 than the marks that they had obtained in their 2019 Grade 9 exams. Grade 9 and Grade 11 students, on the other hand, received no scores for the aborted 2020 exams, and these students will have their cumulative results for 2 years determined by their results in the 2021 board results for Grades 10 and 12 respectively.

Grades 9, 10 and 11, therefore, stood promoted to the next respective grade levels i.e. Grades 10, 11 & 12, by the end of the financial year. This marked the first time in the history of KMS where the School had a full complement of grade levels, starting at Kindergarten and extending all the way up to the highest secondary school level of Grade 12. This is a milestone that has taken more than 13.5 years in coming, since the launch of the first classes at KMS in September 2006, and though it has been realized under unprecedented and unfortunate circumstances caused by the lockdown of schools and the cancellation of exams due to the global pandemic, it is, nevertheless, a major achievement and a matter of considerable pride and satisfaction for the Trustees of KMT and the academic team at the School. The journey has been challenging and, at times, seemingly insurmountable, over the years, but the perseverance of the KMT and KMS teams, and the invaluable support of donors, sponsors and friends of the Trust and School, have, finally, allowed us to reach this point.

With the expansion of grade levels at the School having finally been completed, KMT will now be able to focus its academic efforts exclusively on further improving, each year, the standards of pedagogy in the classes operating on the campus.

The result of the KMS Grade 10 batch for 2020, in the 2020 examinations, as finalized and released by the Abbottabad Board of Intermediate and Secondary Education (BISE), are reproduced as follows:

<div style="display: flex; justify-content: space-between; align-items: center;">  <div style="text-align: center;"> <h2 style="margin: 0;">The Kaghan Memorial School</h2> <p style="margin: 0;"><i>An Institution of The Kaghan Memorial Trust</i></p> </div>  </div> <div style="text-align: center; margin-top: 10px;"> <h3 style="margin: 0;">Grade 10 (Matric)</h3> <h3 style="margin: 0;">External Board Results, 2020</h3> <p style="margin: 0;">Abbottabad Board of Intermediate and Secondary Education (BISE)</p> </div>					
S. No.	Name	Obtained Marks	Total Marks	Percentage	Grade
1	Noor Fatima	948	1100	86.2%	A+
2	Bibi Uqba	940	1100	85.5%	A+
3	Sidra Shah	916	1100	83.3%	A+
4	Zohra Jaffar	916	1100	83.3%	A+
5	Qudsia Qureshi	905	1100	82.3%	A+
6	Uzma Bibi	899	1100	81.7%	A+
7	Eman Ali Zaib	887	1100	80.6%	A+
8	Harram Hussain	885	1100	80.5%	A+
9	Hasmat Bibi	883	1100	80.3%	A+
10	Shaista Rehman	881	1100	80.1%	A+
11	Hira Ehsan	855	1100	77.7%	A
12	Shoaib Arif	840	1100	76.4%	A
13	Kausar Bibi	834	1100	75.8%	A
14	Anhum Bibi	830	1100	75.5%	A
15	Maham Sania Khan	818	1100	74.4%	A
16	Muhammad Umair Qureshi	818	1100	74.4%	A
17	Tayyab Latif	816	1100	74.2%	A
18	Zafran	814	1100	74.0%	A
19	Danial	810	1100	73.6%	A
20	Umer Bashir	808	1100	73.5%	A
21	Saddam Hussain	794	1100	72.2%	A
22	Asim Khushal	786	1100	71.5%	A
23	Danish Qureshi	777	1100	70.6%	A
24	Syed Amir Shah	777	1100	70.6%	A
25	Syed Noor Ahmed	775	1100	70.5%	A
26	Tehmeena Bibi	769	1100	69.9%	A
27	Junaid Shah	757	1100	68.8%	B
28	Umer Shah	757	1100	68.8%	B
29	Sarwar Shah	753	1100	68.5%	B
30	Muhammad Afzal	751	1100	68.3%	B
31	Jawad Hussain	743	1100	67.5%	B
32	Muhammad Usman	741	1100	67.4%	B
33	Mubarik Shah	686	1100	62.4%	B
34	Syed Ali Raza	641	1100	58.3%	C

As these results demonstrate, out of the 34 KMS students who were registered to appear in the Grade 10 board examinations in 2020, 10 stand passed with A+ grade, 16 with A grade, 7 with B grade and 1 with C grade. This is, once again, an outstanding result for the School, albeit obtained based on the previous year's performance and in the absence of any board examinations in 2020.

d. Start exploring undergraduate admissions opportunities for KMS Grade 12 students

With the School's senior-most students having reached the Grade 12 level, the KMT Head Office has started exploring options for admissions of these students in institutions of higher learning once they graduate from KMS in the summer of 2022. To this effect, an Admissions Team, comprising of two Trustees and two programme team members, has been constituted, to:

- look into the admissions requirements of various reputable universities and military academies;
- help KMS Grade 12 students prepare their applications to institutions and academies that they are interested in;
- explore and identify scholarship and financial aid opportunities and options for KMS students, to help them finance their higher education.

This KMS Admissions Team, coordinated by the KMT Programme Manager, is, in effect, acting as a guidance and counselling team for the KMS students. The priority of this team is to give KMS graduates the best chance at achieving placement in leading institutions around the country, and, most importantly, in securing the required financial aid for those students to allow them to pursue their aspirations and ambitions.

Given the outstanding results obtained by the current batch of KMS Grade 12 students in their Grades 9 and 10 board examinations, the KMT Trustees are not overly concerned about their ability to achieve admissions in good institutions. The challenge is going to be in securing financial support for each such student, and that is going to be the main focus of the KMT Admissions Team. Whereas the Trustees realise that it may not be realistically possible to secure scholarships or other forms of financial aid for every member of each graduating batch, the effort is, nonetheless, to try to achieve exactly that. The results of this effort will be known by the late summer of 2021, when the first graduating class of KMS eventually heads out for their higher education.

e. Effects of the Coronavirus Pandemic on the Academic Programme at KMS

The lockdown of schools just 5 days following the start of the 2020 academic year at KMS has had a most serious impact on the institution's academic programme. Given the reality of a lack of any high speed internet infrastructure in the Kaghan Valley, and the fact that the children enrolled in KMS all belong to economically disadvantaged households that cannot afford smart internet enabled devices, there was simply no possibility of organizing online classes for KMS students. As a result, the lockdown imposed on the School by the authorities was exactly that i.e. a complete lockdown of all academic activities with no chance of any interaction between students and teachers until the re-opening of the institution and resumption on in-class teaching. With every week that is lost to the lockdown, the situation for KMS students becomes more precarious as there will be even less time to cover the curriculum for the year once classes do re-start. By the end of the reporting period i.e. June 30, KMS had already lost 3.5 months of its academic year to the lockdown, with no prospect of re-opening till September at the earliest. If the school is allowed to open even at the beginning of September, that will mean 5.5 months out of the 8.5 months of the academic year will have been lost, and given the harsh winters in the valley that necessitate a closure of educational institutions by mid-December, there is no possibility of extending classes during the winter holidays to make up for this lost time.

The situation for the 2020 academic year at KMS is, therefore, extremely worrying, and the Trustees of KMT and the academic staff at the School can do nothings but wait and see how the year unfurls, and how much more time is actually lost to the pandemic in the months of the year that remain. There is news of a 'smart syllabus' that is being developed by the government to reduce the workload on students this year, but even if that syllabus does actually cut down the workload of the students that are preparing for the next year's board exams, the fact will remain that students this year will learn and achieve considerably less than they were supposed to before the pandemic hit. The effects of these lost months will, therefore, not only be felt in 2020, but they will carry over into 2021 as well, as the academic programme for that year depends upon what the children have learnt in 2020.

The actual effects of this pandemic are, therefore, going to be severe, and their true nature will only be known once the situation has played out in its entirety. KMT and KMS will, however, endeavor to do the best that we can to make up for the lost time, whenever we have the opportunity to do so.

2.2.2 Construction – KMS Campus Development

a. Complete construction of two classrooms funded by Mr. Wasim ud Din / Oceandusk Group

Construction work on the two classrooms in the KMS Junior School, funded by Mr. Wasim ud Din and his Oceandusk Group, was completed in November, 2019, and they were furnished before the start of the new academic year, in the first week of March, 2020. These classrooms were used for 5 days, before the School had to close due to the Coronavirus lockdown.

b. Complete construction of two classrooms self-funded by KMT

The two classrooms being built in the Junior School with KMT's own funds were also completed by November 2019. Furnishing of these classrooms is pending and will be completed when KMT has funds to spare for this purpose.

c. Start construction of the Main Block of the KMS Senior School for Boys

Following release of the first tranche of Rs. 1,500,000 (Pakistan Rupees Fifteen Million Only) to KMT by the PSO CSR Trust against this project, KMT started construction activities for the three-level building immediately, with the site survey initiated on September 6. Leveling, excavation and construction



works followed soon after, and by the end of December, 2019, KMT had constructed the structure of the first of the three levels. Work was then suspended due to the severe winter climate, with a plan to re-start in mid-March. The Coronavirus lockdown that came into effect

on March 14, 2020, however, made this resumption of work impossible as scheduled, and the Trust had to wait a further 2.5 months before it could start work on the site again. This was finally possible in the first week of June, when a relaxation of lockdown rules allowed for the resumption of transportation and construction works. By the end of the reporting period on June 30, 2020, KMT had started work on the second level of the building, with plans to complete the structure of the entire facility by the end of the calendar year.

d. Start construction of the first block of the KMS Senior School for Girls

KMT received the first tranche of funding against this project from the donor Mr. Wasim ud Din and his Oceandusk Group, amounting to Rs. 3,048,600 (Pakistan Rupees Three Million Forty Eight Thousand and Six Hundred Only) on June 3, 2020 (as described in detail in section 2.2.4.c below), and after finalising Architectural plans for the building, the Trust initiated project activities at the site on June 25, 2020. Excavation works were underway at the end of June, 2020.



e. Complete furnishing of the KMS Central Library



KMT purchased and installed the requisite furnishings for the KMS Central Library, including bookshelves, journal racks, storage closets, reception counter, conference table, reading tables and chairs by the end of October, 2019. These furnishings were procured by KMT based on its agreement with the Embassy of the Republic of Poland dated July 8, 2019, in which the Embassy had committed to re-imburse the costs of

the furnishings to the Trust once the items had been purchased and installed in the library (Details provided in Section 2.2.4.b below).

2.2.3 Administrative

a. Register KMT with the Economic Affairs Division (EAD), Government of Pakistan

EAD is the Government ministry that oversees receipt of foreign grants by charitable non-governmental organisations registered in Pakistan.

KMT applied to EAD for registration, along with all required supporting documentation, on August 16, 2018, and the Trust received official acknowledgement from EAD of this submission on September 5, 2018.

The EAD registration process was finally successfully completed in favour of KMT in January, with a formal Memorandum of Understanding (MoU) signed between EAD and KMT on January 30, 2020 and effective for a period of 2 years. This MoU allows KMT to receive foreign funding to pursue the goals and objectives of the Trust, subject to applicable Government guidelines and protocols.

b. Register KMT with the Private Schools Regulatory Authority, Government of Khyber Pakhtunkhwa Province (KP-PSRA)

KP-PSRA was established through an act of the Provincial Government of Khyber Pakhtunkhwa in June 2017. Up till its formation, non-governmental schools were previously required to register themselves with their relevant regional examination boards. In the case of KMS, the applicable authority at the time was the Board of Intermediate and Secondary Education (BISE), Abbottabad which had officially registered the School for a one-year period in June, 2017. This registration allowed KMS to enroll its senior-most students for the Grade 9 Board examinations scheduled for March/April, 2018.

When the Trust approached BISE Abbottabad for the annual renewal of the School's registration in 2018, the Trust was informed that it would, instead, have to register with KP-PSRA that year, as that organisation had been mandated by the Provincial Government to take over the role of registration and monitoring of private schools from the various regional examination boards. KMT subsequently initiated the process of registering KMS with KP-PSRA.

Following a series of meetings and discussions with KP-PSRA officials to determine their application procedure and the documents and information required, KMT's request for registration of KMS was formally accepted by KP-PSRA in December, 2018. Given various formalities associated with the new registration process, including the requirement of a mandated physical inspection of the School's campus by a KP-PSRA official, the registration procedure was in process by the end of the previous reporting period i.e. June 30, 2019. In lieu of submission of its application, the Trust was, however, allowed to register its students for the BISE Grades 9 & 10 board exams that were conducted in March/April, 2019.

Formal approval of the Kaghan Memorial School as an approved institution of KP-PSRA up to Secondary School Level (Grades Kindergarten to 10) was granted by the Authority on September 23, 2019. A copy of the approval granted by KP-PSRA to KMS is attached as Appendix C of this document. KMT's application for approval of its School up to Higher Secondary Level (Grades 11 & 12) was, however, still under consideration by KP-PSRA at the end of the current reporting period i.e. June 30, 2020.

c. Attain Tax-Exempt status for KMT from the Federal Board of Revenue (FBR)

Following its certification as an approved Non-Profit Organisation (NPO) by the Pakistan Centre for Philanthropy (PCP) on January 22, 2019, KMT formally applied to the Federal Board of Revenue (FBR) for approval as a tax exempt non-profit organisation on May 11, 2019. The Trust was approved as a non-profit organisation by FBR through an order dated December 17, 2019, a copy of which is attached as Appendix D of this document. This status has been

granted to KMT for a period of 3 years, and shall be subject to renewal before its expiry on December 17, 2022.

2.2.4 Fundraising

a. Secure funding from Pakistan State Oil (PSO) for construction of the Main Block of the KMS Senior School for Boys

Following the inauguration of the PSO Middle School for Boys building at KMS on November 16, 2018, KMT had applied to the PSO CSR Trust for an additional grant of Rs. 25,000,000/- (Pakistan Rupees Twenty Five Million Only) for the construction and furnishing of the proposed 7,500 sq. ft. main block of the Senior School for Boys, comprising of:



- 4 classrooms;
- 2 science laboratories;
- Staff room, staff kitchenette and staff washroom;
- Student toilets and attached janitorial store;
- Supplies store;
- Verandas and stairways.

This new request for funding was first submitted to the PSO CSR Trust on February 2, 2019, and the project was formally approved by the donor on September 2, 2019. The first tranche of funding against this project, to the tune of Rs. 15,000,000 (Pakistan Rupees Fifteen Million Only) was released to KMT on September 5, 2019, with two further tranches of Rs. 5,000,000 (Pakistan Rupees Five Million Only) each due to be released later, as the project progresses.

b. Secure funding for furnishing of the KMS Central Library

On March 10, 2019, KMT had submitted a funding request to the Embassy of the Republic of Poland in Islamabad, for a grant of Euros 15,000/- from its Polish Development Cooperation Fund, to cover remaining furnishing costs of the KMS Central Library. This request was formally approved by the donor on July 8, 2019 on a reimbursement basis i.e. the donor agreed to reimburse to KMT the amount spent on the furnishings, up to an amount equivalent to Euros 15,000/-, upon purchase of the required items by the Trust and submission of purchase receipts to the Embassy for reimbursement.





The Ambassador of Poland, H.E. Mr. Piotr Opalinski, visited the School on the occasion of its annual day on November 16, 2019, to formally inaugurate the completed library and to inspect the furnishings installed therein with the funding approved by his Embassy. The Ambassador was satisfied with the quality and nature of the procured furnishings during his visit. Prior to this visit, the Polish Embassy had already reimbursed to KMT, on November 11, 2019, the amount of Rs. 2,565,000 that the Trust had spent on this activity.

c. Identify and secure donor funding for the first block of the KMS Senior School for Girls

Following the completion and furnishing of the two classrooms funded by Mr. Wasim ud Din in March, 2020, Mr. Din and his Oceandusk Group offered, in May, to sponsor the construction of the first block of the KMS Senior School for Girls. This 5,340 sq. ft. building, once completed, will contain the following facilities:

- 4 classrooms;
- 1 large events hall;
- 1 administrative office;
- 1 Supplies store;
- Passages and stairways.

The estimated budget presented to Mr. Din for the construction and furnishing of this building was Rs. 12 million, out of which his company transferred a first tranche of Rs. 3,048,600 (Pakistan Rupees Three Million Forty Eight Thousand and Six Hundred Only) to KMT on June 3, 2020. Further funding for this building is anticipated from Mr. Din and Oceandusk Group as the project progresses.

d. Increase annual revenues from KMT's Sponsor a Child Programme to at least Rs. 10 million

Compared to its revenues of approximately Rs. 8.03 million under the Sponsor a Child Programme revenue head in FY 2018-2019, KMT had set a relatively ambitious target of Rs. 10 million against this income source for FY 2019-2020. The Trust achieved and surpassed this goal by a considerable margin during the reporting period, bringing in over Rs. 13.2 million in Child Sponsorship revenues by the end of the year.



e. Organise at least two fundraising events during the financial year;

KMT was planning to organize its annual Lucky Draw fundraiser, and a social fundraiser between March and June, 2020. However, the emergence of the Coronavirus pandemic and the subsequent lockdown of activities around the country necessitated a cancellation of both of these activities, resulting in the Trust being unable to organize any fundraising events during the reporting period. This caused a significant loss of anywhere between Rs. 4 million and Rs. 6 million for the year, which KMT could have realistically raised had it been able to organize its two planned fundraisers.

f. Identify and secure new donors to cover KMT and KMS operational costs

Apart from child sponsorship contributions and donations received against specified purposes such as construction and furnishings, KMT raised approximately Rs. 1.076 million in general donations during FY 2019-2020. A breakup of these donations is provided as follows:

S. No.	Title	Name	Purpose	Amount (Pak. Rs.)
1	M/s	Tourism Promotion Services (Private) Limited	General Donation	299,130
2	Mr.	Yahya Iqbal	General Donation	217,420
3	Mr.	Akbar Ahmad	General Donation	100,000
4	Mr.	Ali Nomani	General Donation	100,000
5	Ms.	Zareen Habib	General Donation	84,000
6	M/s	United Transport c/o Mr. Iqbal Ahmed Khan	General Donation	75,000
7	Mr.	Fernando Giron Pascual	General Donation	50,000
8	Mr.	Alex Rauchut	General Donation	30,571
9	Mr.	Fawad Zakariya	General Donation	30,000
10	Ms.	Mina Tahir	General Donation	30,000
11	Mr.	Umar Khan	General Donation	30,000
12	Ms.	Amna Majid	General Donation	20,000
13	Mr.	Zeeshan Arshad Qureshi	General Donation	10,336
TOTAL				1,076,457

This amount is considerably lower than the requirements of the Trust, which has a monthly budgeted expense of over Rs. 2.2 million. This is also a decline of over Rs. 1.66 million as compared to the general donations of approximately Rs. 2.74 million that the Trust received in 2018-2019. KMT will need to significantly increase returns in the form of general donations for this income head to make a meaningful contribution towards meeting the operational costs of the Trust and School.

2.3 Other major activities during FY 2019-2020

2.3.1 KMS Sports Days, 2019

The Kaghan Memorial School organized its annual Sports Days on October 4, 5 & 6. The schedule of competitions, divided across the different sections of the School, was as follows:

- October 4 – Middle and Senior School for Girls Events
- October 5 – Middle and Senior School for Boys Events
- October 6 – Junior School (Boys and Girls) Events

As always, the students in each section competed for their respective houses, which are Eagle, Wolf, Bear and Ibex. Events featured during the sports days included various individual races, relay races, long jump, tug-o-war (Junior School), badminton (Middle and Senior Girls) and volleyball (Middle and Senior Boys). At the end of the 3 days of competitions, the standings of each house were as follows:





Middle and Senior School for Girls

First Place – Ibex House
 Second Place – Eagle House
 Third Place – Bear House
 Fourth Place – Wolf House

Middle and Senior School for Boys

First Place – Ibex House
 Second Place – Bear House
 Third Place – Eagle House
 Fourth Place – Wolf House

Junior School

First Place – Eagle House
 Second Place – Bear House
 Third Place – Wolf House
 Fourth Place – Ibex House

OVERALL RESULTS

First Place – Ibex House
 Second Place – Eagle House
 Third Place – Bear House
 Fourth Place – Wolf House

Ibex House, therefore, took the Overall Champion House Trophy for 2019, dethroning the incumbent Eagle House by an overall points tally of 68 vs 61.

Syed Abdul Rehman Shah of Bear House was declared the Overall Best Male Athlete of the School, whereas Sania Bashir of Ibex House took the prize of Overall Best Female Athlete of the School. Various House Champions of each section were also crowned, based on the final results.

2.3.2 KMS Annual Day, 2019

The 2019 Annual Day of the Kaghan Memorial School was organized on Saturday, November 16. This is a day in which the students of various classes present skits and performances that demonstrate some of what they have learnt during the year, in the presence of their parents and other guests.

Mr. Shahram Khan Tarakai, Khyber Pakhtunkhwa Province Minister for Local Government attended the proceedings as the Chief Guest, while H.E. Mr. Piotr A. Opalinski, Ambassador of Poland to Pakistan participated as the Guest of Honour. Several Trustees of KMT and some other guests from Islamabad were also present.



Unfortunately, the carefully planned event was disrupted by severe and incessant rainfall which started early in the morning and continued well into the afternoon. The School's management therefore had to move the proceedings into the new Central Library, and to start a couple of hours later than the original plan. Due to the limited space in the library, a reduced programme of performances was thereby presented to the visiting guests, in the absence of the parents of the children. In spite of these last minute emergency changes, the students put on an excellent show for all present, which was genuinely appreciated by both the Chief Guest and the Guest of Honour. In their respective speeches, both main guests applauded the work being done by KMT through the School, and they pledged their support to the Trust wherever possible.

Prior to the start of the re-scheduled indoor Annual Day programme, the Ambassador of Poland formally inaugurated the completed Central Library, which was built, equipped and furnished



through three separate tranches of funding received from his Embassy over the past several years. The Ambassador had previously visited the Library in December 2018 as well, on the occasion of its initial 'soft' opening. During this second visit he, along with the Minister for Local Government, appreciated the utilization of Polish funding for the completion of the library over the previous year.

2.4 Financial summary for FY 2019-2020

2.4.1 Comparison of estimated budget vs actual utilisation during FY 2019-2020

A comparative sheet showing KMT's original pro-forma operational budget for FY 2019-2020 vs the actual expenditures against each budget line during the year is attached as Appendix A. This budget shows operational expenses only and does not include special projects such as construction of new facilities, or furnishings, which are treated as separate projects that are budgeted individually with the respective donors of each such project. As this comparison shows:

- a. The KMT Head Office spent a total of approximately Rs. 2.98 million during the year, against a budget of Rs. 3.692 million. The net expenditures for the Head Office were therefore roughly 19.3% lower than what had been estimated at the start of the year. The main savings made were under the payroll head, but all other budget heads were also underutilized with the exception of only two budget lines against which the expenses were greater than the budgeted amounts. This indicates good expense control at the Head Office level.
- b. Running expenses for the School totaled approximately 20.72 million against a budget estimate of Rs. 23.474 million. KMS therefore spent 11.7% less on its operations than had been anticipated for the year. The main heads under which these savings were realized include Classroom Supplies, Vehicle Running, Utilities, Building Repairs and Maintenance, Vehicle Rental Charges, Fuel for Generators, Staff Meals, Event Expenses, Board Fees, Training Expenses and Miscellaneous Expenses.

- c. Overall, the combined KMT Head Office and KMS expenses for the year added up to approximately Rs. 23.7 million, which was almost 12.8% lower than the total budgeted amount of Rs. 27.17 million. This is a significant reduction in expenditures vs budget that, again, demonstrates the tight control that KMT exercises on its spending, both at the Head Office level and also at the School. The total expenditure of Rs. 23.7 million for the year is, furthermore, only slightly higher than the expense of Rs. 23.54 million that was incurred by KMT for the previous financial year, which is a significant achievement when considered against the general inflation in the country year-to-year.



KMT's audited accounts for the financial year that ended on June 30, 2020, are attached as Appendix B. Whereas the audit report provides all details of the Trust's income, expenditures, assets, liabilities and cash flows during the year, major highlights are listed as follows:

2.4.2 Balance Sheet

KMT's statement of Assets and Liabilities has seen very little change during the reporting period as compared to the previous year. Most notably:

- a. The 'Property, plant and equipment' head has increased by almost Rs. 9.916 million. This is primarily due to:
 - i. the transfer of Rs. 11.994 million from 'Capital work in progress' against classrooms and building works that were completed during the year;
 - ii. the purchase of furnishings for the KMS Central Library through the Polish Embassy grant;
 - iii. the depreciation of existing 'Property, plant and equipment' inventory.
- b. The 'Capital work in progress' head has registered a decrease of Rs. 1.2 million as:
 - i. all construction work that had been ongoing during the previous year was completed during the reporting period and the full amounts spent on those works was transferred to 'Property, plant and equipment', in which head the values of completed buildings are reported;
 - ii. new construction works to the tune of Rs. 10.793 million were undertaken during FY 2019-2020.

- c. The 'Current Assets' saw a decrease of approximately Rs. 2.395 million primarily due to a decline in advance paid to suppliers and also due to a reduction in the 'Cash and bank balances' of the Trust ;
- d. The 'General funds' of the Trust have decreased by approximately Rs. 1.887 million, which is the deficit between KMT's income and expenditure during the year;
- e. 'Deferred grants' have, on the other hand, increased from Rs. 75.069 million in the previous year to Rs. 82.464 million as on June 30, 2020. This increase is due to:
 - i. Receipt of the first tranche of the PSO CSR Trust's donation for construction of the Main Block of the Senior School for Boys, to the tune of Rs. 15 million;
 - ii. Receipt of the first tranche of the Oceandusk Group donation for construction of the First Block of the Senior School for Girls, to the tune of approximately Rs. 3,049 million;
 - iii. Receipt of Rs. 2.565 million from the Embassy of Poland for furnishing of the KMS Central Library;
 - iv. Amortization of the deferred grants to the tune of approximately Rs. 13.218 million. The amortized amount has been transferred to the Income and Expenditure statement to reflect as income for the year;
- f. The Trust's 'Short term loans' have decreased by Rs. 881,695 due to this amount having been written off by two of KMT's lenders, Arcadian Hotels & Resorts (Private) Limited, and Jennifer Ankrom, from their interest free loans, against Child Sponsorship fees of the children that they are sponsoring at KMS;
- g. The increase in 'Accrued and other liabilities' by Rs. 1,689,094 from Rs. 1,489,609 the previous year to Rs. 3,178,703 during the reporting period is due to pending salaries payable to staff at the end of June, 2020.



In general, the Trust's Assets and Funds/Liabilities did not show any unusually major variance during the year, with both halves of the balance sheet registering an increase of approximately Rs. 6.316 million year to year, settling on roughly Rs. 71.528 million at the end of the reporting period. This amounts to a decrease of 9.7% over the Rs. 65.212 million of the previous year.

2.4.3 Income and Expenditure Statement

The 'Income and expenditure account' and its accompanying detailed notes # 14, 15, 16 & 17, as provided in the audited accounts, demonstrate a decline in 'non-specified' income for the Trust for the second year in a row. As these accounts show:

- a. KMT registered a deficit of income over expenditure for FY 2019-2020 to the tune of Rs. 1,886,657;
- b. Total income for the reporting period was approximately Rs. 27.887 million. This is a 6.75% decrease of slightly over Rs. 2 million as compared to the income of Rs. 29.905 million of the previous year;

- c. A review of note 14 and its sub notes shows that the income position of the Trust was actually even worse than is evident from the Income and expenditure account, as almost half of the 'income' registered for the year is in the form of 'Amortization of deferred grants', which is not new income for the Trust, but rather an adjustment of old grants between the Balance sheet and the Income and expenditure account. New income raised by the Trust actually only comprised of Rs. 1,226 million in the form of donations, Rs. 13.215 million in the form of child sponsorships and Rs. 227,155 from donation boxes. These three figures add up to Rs. 14,668,146. Whereas income from child sponsorships increased significantly and encouragingly year-to-year by almost Rs. 5.2 million, donations decreased by more than Rs. 1.5 million and fundraising events income was reduced from Rs. 7.485 million in 2018-2019 to zero in 2019-2020. All in all, therefore, with amortization not factored in, the Trust's income decreased from 18.586 million in the previous financial year to Rs. 14.668 million in FY 2019-2020. This is a decline of almost Rs. 3.92 million or 21.1%, which is a large amount for the Trust to have fallen short by. As mentioned earlier in this report, the main reason for this decline in income was the inability of KMT to organize any fundraising event during the year due to the Coronavirus restrictions.
- d. On a more positive note, KMT did manage to keep its expenditures under control during the year, registering Rs. 3,081,954 (including depreciation and amortization) as Head Office Expenses as compared to Rs. 2,774,210 in 2018-2019 – an increase of 11.1% year-to-year. Expenses at the school increased even less, with the Trust spending Rs. 26,691,270 (including depreciation) on KMS operational expenses in 2019-2020 as compared to Rs. 26,147,542 the previous year – an increase of only 2%. With both Head Office and School Expenditures taken into account, KMT's spending increased to Rs. 29,773,224 during the reporting period as against Rs. 28,921,752 the previous year – an overall increase of 2.9%.

These figures demonstrate that the Trust was successful, to a great extent, in controlling its expenditures during the reporting period, which is a positive sign given the decline in its revenues over the past two financial years.

As is evident from the analysis above, FY 2019-2020 was a difficult year for KMT in terms of fundraising, with its income dropping considerably as compared to the previous year. With the Trust unable to organize any fundraising events during the year, and with donor funding dropping in general due to the effects of the pandemic on various individuals and organisations that KMT may have expected funding from under normal circumstances, the net result was a 21% reduction in fundraising returns.

The two positives during the year were, however, a significant increase in child sponsorship revenues and the effectiveness of KMT in controlling its expenditures.

KMT will need to work hard in the next year to try to reverse this decline in revenues and to increase its income.



2.5 Lists of donors and child sponsors during FY 2019-2020

2.5.1 KMT Donors

S. No.	Donor Name / Donation Source		Purpose of Donation	Amount (Pak. Rs.)
1	M/s	Pakistan State Oil (PSO) CSR Trust	Construction of Senior School for Boys	15,000,000
2	M/s	Oceandusk Group c/o Mr. Wasim ud Din	Construction of Senior School for Girls	3,048,600
3	M/s	Embassy of Poland in Pakistan	Furnishing of KMS Central Library	2,565,000
4	M/s	Tourism Promotion Services (Private) Limited	General Donation	299,130
5	M/s	Arcadian Hotels & Resorts (Private) Limited	Donations collected from donation boxes	227,155
6	Mr.	Yahya Iqbal	General Donation	217,420
9	Mr.	Mr. Mohsin Mueen Raja	Higher Education Sponsorship Fund	150,000
7	Mr.	Akbar Ahmad	General Donation	100,000
8	Mr.	Ali Nomani	General Donation	100,000
10	Ms.	Zareen Habib	General Donation	84,000
11	M/s	United Transport c/o Mr. Iqbal Ahmed Khan	General Donation	75,000
13	Mr.	Fernando Giron Pascual	General Donation	50,000
14	Mr.	Alex Rauchut	General Donation	30,571
15	Mr.	Fawad Zakariya	General Donation	30,000
16	Ms.	Mina Tahir	General Donation	30,000
17	Mr.	Umar Khan	General Donation	30,000
18	Ms.	Amna Majid	General Donation	20,000
19	Mr.	Zeeshan Arshad Qureshi	General Donation	10,336
	Total			22,067,212

2.5.2 KMT Child Sponsors

S. No.		Sponsor Name	Number of Children Sponsored	Amount Donated
1	M/s	Oceandusk Group c/o Mr. Wasim ud Din	20	1,500,000
2	Mr.	Sardar Muhammad Ghalib	10	800,000
3	Mr.	Ahsan Imtiaz Bhatti	6	466,000
4	Mr.	Jacques & Mrs. Ghislaine Seneca	6	481,413
5	Mrs.	Jennifer Ankrom-Khan	6	491,695
6	Mr.	Abdullah Zafar (Pakistan Exploration)	5	404,875
7	M/s	Arcadian Hotels & Resorts (Private) Limited	5	390,000
8	Mr.	Azeem Akhtar	5	391,750
9	Mr.	Majid Ismael	5	400,000
10	Mr.	Eric Claudel	4	313,058
11	Ms.	Marrukh Muzzafar	4	306,306
12	Ms.	Vibeke Jensen	4	319,284
13	Mr.	Akbar Ahmad	3	231,900
14	Mr.	Klaus Wiehler	3	232,500
15	Ms.	Maryam Khan	3	235,050
16	Mr.	Omar Afzal & Mrs. Zahra Omar	3	238,683
17	Mrs.	Asma Agha & Ms. Nasreen Agha	2	160,000
18	Mr.	Dominic Shorthouse	2	168,302
19	Mr.	Ehsaan Uddin Ahmed	2	156,000
20	Mr.	Haider Iqbal	2	159,290
21	Mr.	Iqbal Ahmed Khan	2	155,600
22	Mr.	Mohsin Mueen Raja	2	165,000
23	Mr.	Muhammad Asrar ul Haq	2	155,000
24	Dr.	Natasha Khan	2	154,743
25	Mr.	Nauman Ahmed	2	156,700
26	Mr.	Naveed Akram & Mrs. Haniya Siddiqe	2	156,000
27	Mr.	Sarim Sheikh	2	110,000
28	Mr.	Selahattin Turkmen	2	155,475
29	Mr.	Syed Muhammad Ali Kazmi	2	155,100
30	M/s	Thal Limited Pakistan Papersack Division	2	142,100
31	Mr.	Zeeshan Sheikh	2	156,095
32	Mr.	Abdul Basit	1	77,079
33	Ms.	Aniqah Javed	1	80,000
34	Mrs.	Anjum Shahid	1	78,700
35	Mrs.	Anjum Shahid	1	82,400
36	Mr.	Asim Majeed	1	78,000
37	Mrs.	Ayesha Ali Nagi	1	80,000
38	Mr.	Bilal Hasan Minto	1 (partial)	42,000
39	Mrs.	Elisabeth Kristiansson	1	79,820
40	Mr.	Faihan Umer Ahmad	1	79,944
41	Ms.	Faiza Halim	1	76,772
42	Mr.	Faraz Mustaqeem	1 (partial)	38,900
43	Dr.	Fareed Ejaz Khawaja	1	81,279
44	Mr.	Fawzi Mohammad Khawaja	1	50,000
45	Mr.	Fernando Giron Pascual	1	78,433
46	Mr.	Harris Zia	1	78,000
47	Mr.	Hasaan Khawar	1	80,700
48	Mr.	Hashim Asad	1	75,000
49	Ms.	Ifeta and Ms. Izeta Selimanjin	1	76,658
50	Mr.	Jalal Khalid & Mrs. Nadia Jalal	1	78,165
51	Mr.	Kashif Raza & Mrs. Rabiya Kashif	1	80,077
52	Mr.	Khawar Saleem Aslam	1	81,000
53	Mr.	Khurram Majeed	1	78,000
54	Mr.	Khurram Tiwana & Mrs. Mehreen Tiwana	1	76,345
55	Mrs.	Lynnette Ankrom	1	81,330
56	Ms.	Madiha Khawar	1	76,867
57	Mr.	Malik Nauman Ali	1	77,172
58	Mr.	Martin Krieg & Friends	1	77,961
59	Mrs.	Mazia Irfan Usman	1	79,662
60	Mr.	Mohammad Aqeel Jafar Khan	1	78,350

61	Mr.	Muhammad Kousar Shakeel	1	77,575
62	Mr.	Muhammad Mohsin	1	78,875
63	Mr.	Muhammad Mohsin	1	81,000
64	Mr.	Muhammad Mushfiq Salahddin	1	87,090
65	Mr.	Nasir Khan Afridi	1	77,825
66	Mrs.	Saadiya Shaikh	1	78,000
67	Mr.	Saeed Ejaz Khawaja	1	84,000
68	Mr.	Sardar Mehmood	1	100,000
69	Mr.	Taimur Satti	1	78,550
70	Mr.	Taimur Satti	1	78,550
71	Mr.	Tariq Ali Cheema & Mrs. Mehtab Shaikh	1	81,000
72	M/s	TEFL Professional Networks c/o Mr. David McDowall	1	84,000
73	Mr.	Umair Abdul Nasir (Win Steel)	1	75,000
74	Mr.	Umar Khan	1	82,500
75	Mr.	Uzzam Ahmed Malik	1	85,000
76	Mr.	Victor Herrero	1	77,300
77	Mr.	Waqas Ahmad	1	75,792
78	Mr.	Zeeshan Qureshi	1	68,645
79	Mr.	Zia Qamar & Dr. Kiran Qamar	1	77,299
		Total	170	13,214,534

PART 3

Priorities for the Next Financial Year - FY 2020-2021

3.1 Academic

- a. Make up, to the maximum extent possible, for the months of schooling lost at the Kaghan Memorial School due to the Coronavirus-related lockdown of the institution as per Government directives;
- b. Prepare KMS students of grades 9, 10, 11 & 12 for the Abbottabad Board external examinations scheduled for March / April, 2021;
- c. Adapt the School's teaching programme to the new Government-mandated Single National Curriculum;
- d. Explore undergraduate admissions opportunities for KMS Grade 12 students and help those students in preparing their university admissions applications.

3.2 Construction

- a. Complete construction of the Main Block of the KMS Senior School for Boys;
- b. Continue construction of the first block of the KMS Senior School for Girls.

3.3 Administrative

- a. Register KMT as an approved Higher Secondary Level Institution with the Private Schools Regulatory Authority (PSRA), Government of Khyber Pakhtunkhwa Province;
- b. Register senior KMS students for their Abbottabad Board examinations scheduled for March / April, 2021.

3.4 Fundraising

- a. Secure further funding for construction of the first block of the KMS Senior School for Girls
- b. Increase revenues from KMT's Sponsor a Child Programme;
- c. Organise at least one fundraising event during the financial year;
- d. Identify and secure new donors to cover KMT and KMS operational costs.

Appendix A

KMT Projected Operational Budget vs Actual Utilisation

FY 2019-2020

Budget Line	Units	Lump Sum Unit Cost Pak. Rs.	Monthly Unit Cost Pak. Rs.	Months	Annual Budget Pak. Rs.		Actual Utilisation During the Year
KMT H.O. OPERATIONAL BUDGET							
Staff salaries							
Programme Manager	1		60,000	9	540,000		
Programme Officer 1	1		45,000	12	540,000		
Programme Officer 2	1		45,000	12	540,000		
Accounts Manager	1		50,000	12	600,000		
Accounts Assistant (Part Time)	1		10,000	12	120,000		
Sub-Total						2,340,000	1,832,136
Advertisement and website hosting charges	1		500	12		6,000	70,237
Supplies, printing and stationery	1		10,000	12		120,000	68,994
Postage and courier	1		500	12		6,000	860
Domestic travelling	1		10,000	12		120,000	173,507
Vehicle running	1		15,000	12		180,000	152,175
Communication	1		4,000	12		48,000	37,309
Building rent (Office lease rental)	1		1,000	12		12,000	-
Building repairs and maintenance	1		1,000	12		12,000	-
Equipment repairs and maintenance	1		10,000	12		120,000	82,200
Vehicle repairs and maintenance	1		6,000	12		72,000	195,417
Miscellaneous	1		10,000	12		120,000	24,415
Meals for staff	1		20,000	12		240,000	240,106
Fundraising expenditures	2	50,000				100,000	-
Legal fees	1		-	12		-	-
Utilities (Electricity & Gas)	1		-	12		-	-
Internet and phone charges	1		4,000	12		48,000	-
Bank charges	1		4,000	12		48,000	22,310
Audit fee	1	100,000				100,000	80,000
TOTAL KMT H.O. OPERATIONAL BUDGET						3,692,000	2,979,666

(Continued on next page..)

Budget Line	Units	Lump Sum Unit Cost Pak. Rs.	Monthly Unit Cost Pak. Rs.	Months	Annual Budget Pak. Rs.		Actual Utilisation During the Year
KMS OPERATIONAL BUDGET							
Staff salaries							
Head Teacher	1		40,000	12	480,000		
Discipline Coordinator	1		30,000	12	360,000		
Deputy Head Teacher 1	1		27,000	12	324,000		
Deputy Head Teacher 2	1		27,000	12	324,000		
Deputy Head Teacher 3	1		24,000	12	288,000		
Assistant Discipline Coordinator	1		21,000	12	252,000		
Teachers	25		20,000	12	6,000,000		
New Teachers	2		18,000	4	144,000		
Teaching Assistants	6		16,000	12	1,152,000		
New Teaching Assistants	2		15,000	4	120,000		
P.E. Teacher	1		15,000	12	180,000		
Office Assistant	1		16,500	12	198,000		
Administration Manager	1		37,000	12	444,000		
Administration Officer	1		30,000	4	120,000		
Logistics Officer	1		20,000	12	240,000		
Matron/Ayah	2		13,000	12	312,000		
Drivers	9		13,500	12	1,458,000		
Construction Supervisor	1		16,000	12	192,000		
Security Incharge	1		15,000	12	180,000		
Security Guards	4		13,000	12	624,000		
Cook	1		14,000	12	168,000		
Cook's Helper	1		13,000	12	156,000		
Gardener	1		13,000	12	156,000		
Cleaners	3		13,000	12	468,000		
Sub-Total	69					14,340,000	14,763,527
Medical tests and treatments	1		-	12		-	-
Classroom supplies	2	750,000				1,500,000	1,210,901
Office supplies, printing and stationery	1		5,000	12		60,000	80,405
Lease expenses (KMS annual land lease rental)	1	222,480				222,480	134,545
International travelling	1		-	12		-	-
Domestic travelling	1		30,000	12		360,000	463,201
Vehicle running							
School vans	3		22,000	12	792,000		
School jeeps	5		33,000	12	1,980,000		
Sub-Total						2,772,000	1,545,550
Freight	1		-	12		-	-
Utilities	1		30,000	12		360,000	287,929
Communication	1		4,000	12		48,000	33,000
Furnishings	1		-	12		-	-
Building repairs and maintenance	1		10,000	12		120,000	54,000
Equipment repairs and maintenance	1		5,000	12		60,000	10,000
Vehicle repairs and maintenance							
School vans	3		6,500	12	234,000		
School jeeps	5		11,000	12	660,000		
Sub-Total						894,000	929,185
Vehicle rental charges	1		60,000	9		540,000	273,720
Fuel for generator	1		6,500	12		78,000	24,000
Meals for staff	1		65,000	12		780,000	567,627
Sports day and annual day expense	2	200,000				400,000	304,916
Special events (Donor visits etc.)	2	50,000				100,000	-
Board fees	1	250,000				250,000	5,000
Workshops and capacity building	1	350,000				350,000	-
Miscellaneous	1		20,000	12		240,000	30,337
TOTAL KMS OPERATIONAL BUDGET						23,474,480	20,717,843
GRAND TOTAL KMT OPERATIONAL BUDGET FOR FY 2019-2020 (KMT H.O. & KMS)						27,166,480	23,697,509

Appendix B

KMT Audited Accounts for FY 2018-2019



Hasan Associates
Chartered Accountants

Office No. 1-B, 2nd Floor, Poonch House Complex, Adamjee Road, Saddar, Rawalpindi
Tel: 051-8740440 0318-1977378 Email: haca@accountant.com

INDEPENDENT AUDITOR'S REPORT THE KAGHAN MEMORIAL TRUST

Opinion

We have audited the accompanying financial statements of THE KAGHAN MEMORIAL TRUST (the Trust) which comprise of balance sheet as at June 30, 2020, income and expenditure account, cash flow statement and the statement of changes in accumulated fund for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Trust as at June 30, 2020 and of its financial performance, cash flows and changes in accumulated fund for the year then ended in accordance with approved accounting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Trust in accordance with the International Ethics Standard Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibility for the Financial Statements

The Trustees are responsible for the preparation and fair presentation of these financial statements in accordance with the approved accounting standards as applicable in Pakistan, and for such internal controls as the Management determines to be necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Trustees are responsible for assessing the ability to continue as going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so. Trustees are responsible for overseeing the Trust for financial reporting process.

Auditors' Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a

material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial statements. Our conclusions are based on information available to us at the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Rawalpindi
September 30, 2020



Hasan Associates
Chartered Accountants
Engagement Partner: Shahzad Ul Hasan

THE KAGHAN MEMORIAL TRUST
BALANCE SHEET
AS AT JUNE 30, 2020

	Note	2020 Rupees	2019 Rupees
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	4	56,859,449	46,943,773
Capital work in progress	5	10,792,774	11,994,359
Intangible assets	6	6,784	9,691
		67,659,007	58,947,823
CURRENT ASSETS			
Short term advance	7	26,674	161,219
Advances, deposits and prepayments	8	55,209	1,798,907
Cash and bank balances	9	3,786,617	4,303,637
		3,868,500	6,263,763
		71,527,507	65,211,586
FUNDS AND LIABILITIES			
FUNDS - GENERAL			
General funds	10	(17,469,715)	(15,583,058)
Deferred grants	11	82,464,483	75,069,304
		64,994,768	59,486,246
CURRENT LIABILITIES			
Short term loans	12	3,354,036	4,235,731
Accrued and other liabilities	13	3,178,703	1,489,609
		6,532,739	5,725,340
		71,527,507	65,211,586

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

Islamabad



Two handwritten signatures in blue ink are placed above the word "TRUSTEE" which appears twice, indicating the roles of the signatories.

**THE KAGHAN MEMORIAL TRUST
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2020**

	Note	2020 Rupees	2019 Rupees
INCOME	14	27,886,567	29,904,873
EXPENDITURES			
Fund raising	15	-	72,912
Head office	16	3,081,954	2,774,210
The Kaghan Memorial School	17	26,691,270	26,147,542
		(29,773,224)	(28,994,664)
Surplus / (Deficit) for the year		<u>(1,886,657)</u>	<u>910,209</u>

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

Islamabad



Two handwritten signatures in blue ink are present. Below each signature is a horizontal line and the word "TRUSTEE" in bold capital letters.

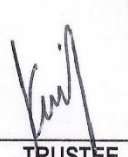
**THE KAGHAN MEMORIAL TRUST
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2020**

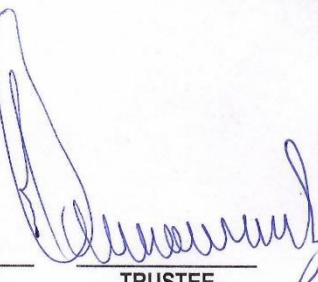
	Note	2020 Rupees	2019 Rupees
CASH FLOW FROM OPERATING ACTIVITIES			
Surplus / (Deficit) for the year		(1,886,657)	910,209
Adjustments for:			
Depreciation	4	6,072,808	5,447,379
Amortization of income	11	(13,218,421)	(11,318,529)
Amortization of intangible assets	6	2,907	4,154
Operating surplus / (deficit) before working capital changes		(9,029,363)	(4,956,787)
Changes in working capital			
(Increase)/decrease in current assets:			
Advances and deposits		1,743,698	(1,326,597)
Increase in current liabilities:			
Accrued and other liabilities		1,689,094	938,084
Net change in working capital		3,432,792	(388,513)
Net cash generated from/(used) in operating activities		(5,596,571)	(5,345,299.76)
CASH FLOW FROM INVESTING ACTIVITIES			
Capital expenditures (fixed assets/intangibles)			
Capital work in progress		(10,792,774)	(2,314,615)
Addition of fixed assets		(3,994,125)	(4,924,135)
Advance lease rentals		134,545	(74,997)
Net cash generated from/(used) in investing activities		(14,652,354)	(7,313,747)
CASH FLOW FROM FINANCING ACTIVITIES			
Deferred building and vehicle grants received		20,613,600	4,049,720
Short term loan repaid		(881,695)	(388,830)
Net cash generated from/(used) in financing activities		19,731,905	3,660,890
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS		(517,019)	(8,998,157)
CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		4,303,637	13,301,794
CASH & CASH EQUIVALENTS AT THE END OF THE YEAR		3,786,617	4,303,637

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

Islamabad




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 TRUSTEE

THE KAGHAN MEMORIAL TRUST
STATEMENT OF CHANGES IN ACCUMULATED FUND
FOR THE YEAR ENDED JUNE 30, 2020

	GENERAL FUNDS	RESTRICTED FUNDS	TOTAL ACCUMULATED FUNDS
	----- (Rupees) -----		
Balance as on June 30, 2018	(16,493,267)	82,338,113	65,844,846
Surplus for the year ended June 30, 2019	910,209	-	910,209
Restricted fund received during the year	-	4,049,720	4,049,720
Amortized during the year	-	(11,318,529)	(11,318,529)
Balance as on June 30, 2019	(15,583,058)	75,069,304	59,486,246
Deficit for the year ended June 30, 2020	(1,886,657)	-	(1,886,657)
Restricted fund received during the year	-	20,613,600	20,613,600
Amortized during the year	-	(13,218,421)	(13,218,421)
Balance as on June 30, 2020	(17,469,715)	82,464,483	64,994,768

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

Islamabad




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 TRUSTEE

**THE KAGHAN MEMORIAL TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

1 STATUS AND OPERATIONS

The Kaghan Memorial Trust (the Trust) was registered in March 2006 under Trust Act of 1882, with the objective to build and run a school in the earthquake affected Kaghan Valley, in order to provide free education of a high quality. The Trust 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. The registered office of the Trust is situated at House # 1, Old Firing Range Drive, Main Bani Gala Road, Bani Gala, Islamabad.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**2.1 STATEMENT OF COMPLIANCE**

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of Guidelines for Accounting and Financial Reporting Standards for Small-Sized Entities (SSEs) issued by the Institute of Chartered Accountants of Pakistan.

2.2 BASIS OF PREPARATION

These accounts have been prepared under the historical cost conventions without any adjustments to the effects of inflation or current values, except where stated in relevant policies and notes.

2.3 MANAGEMENT RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Board of Trustees is responsible for the preparation and presentation of financial statements. The reporting currency of the financial statements is the Pakistani Rupee. These financial statements of the Trust have been prepared for the year from July 01, 2019 to June 30, 2020.

2.4 PROPERTY, PLANT AND EQUIPMENT (PPE)

PPE are stated at cost less accumulated depreciation and impairment losses. PPE received free of cost is stated at a nominal value of rupee 1. Depreciation is provided on reducing balance method at the rates specified in note 4. Depreciation is charged on additions from the month in which an asset is acquired, while no depreciation is charged in the month of disposal.

2.5 INTANGIBLE ASSETS

Intangible Assets are stated at cost less accumulated amortization and accumulated impairment losses, if any. Amortization is charged on a reducing balance method over the estimated useful lives of intangible assets. The estimated useful life and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. The Trust charges amortization on all additions from the month in which an asset is acquired or capitalized, while no amortization is charged in the month of disposal.

2.6 INCOME

Income is recognized when it is received.

2.7 GRANT

Grants received for capital assets are deferred and recognized as income to the extent at which the capital asset is depreciated over its useful life.

2.8 EXPENSES

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

2.9 CAPITAL WORK IN PROGRESS

Capital work in progress is stated at cost.

3 TAXATION

No provision for taxation has been made in these accounts as the Income/ Sponsorship/ Donations of the Trust are exempt from levy of income tax under clause (a) of sub-section 2 of section 100C of the Income Tax Ordinance, 2001, introduced under the Finance Act, 2014. Previously the income of the Trust was exempt under section 60 and 92 of the 2nd Schedule to the Income Tax Ordinance, 2001 being an educational and charitable institution solely for educational and charitable purposes and not for the purpose of making profit.

3.1 FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions are translated into Pak Rupees at exchange rates prevailing on the date of transactions. All monetary assets and liabilities in foreign currencies on 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.



THE KAGHAN MEMORIAL TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

4. PROPERTY, PLANT AND EQUIPMENT

Particulars	Building	Computers & Accessories	Office Equipments	Motor Vehicle	Furniture & Fixtures	Books & Sports Items	Electric Equipments	Other Assets	Total
-----RUPEES-----									
4.1 HEAD OFFICE									
As at July 01, 2018									
Cost	-	962,248	168,600	-	781,963	-	585,846	72,853	2,571,510
Accumulated Depreciation	-	(638,700)	(135,067)	-	(449,520)	-	(414,963)	(59,440)	(1,697,690)
	-	323,548	33,533	-	332,443	-	170,883	13,413	873,820
For the year ended June 30, 2019									
Opening written down value	-	323,548	33,533	-	332,443	-	170,883	13,413	873,820
Additions/ transfers in									
Cost	-	-	-	-	-	-	-	-	-
Accumulated Depreciation	-	-	-	-	-	-	-	-	-
Deletion/ transfers out									
Cost	-	-	-	-	-	-	-	-	-
Accumulated Depreciation	-	-	-	-	-	-	-	-	-
Depreciation for the year	-	(48,532)	(5,030)	-	(33,244)	-	(25,632)	(2,683)	(115,121)
	-	275,016	28,503	-	299,199	-	145,251	10,730	758,699
As at July 01, 2019									
Cost	-	962,248	168,600	-	781,963	-	585,846	72,853	2,571,510
Accumulated Depreciation	-	(687,232)	(140,097)	-	(482,764)	-	(440,595)	(62,123)	(1,812,811)
	-	275,016	28,503	-	299,199	-	145,251	10,730	758,699
For the year ended June 30, 2020									
Opening written down value	-	275,016	28,503	-	299,199	-	145,251	10,730	758,699
Additions/ transfers in									
Cost	-	-	-	-	-	-	-	-	-
Accumulated Depreciation	-	-	-	-	-	-	-	-	-
Deletion/ transfers out									
Cost	-	-	-	-	-	-	-	-	-
Accumulated Depreciation	-	-	-	-	-	-	-	-	-
Depreciation for the year	-	(41,252)	(4,275)	-	(29,920)	-	(21,788)	(2,146)	(99,381)
	-	233,764	24,228	-	269,279	-	123,463	8,584	659,318
As at July 01, 2020									
Cost	-	962,248	168,600	-	781,963	-	585,846	72,853	2,571,510
Accumulated Depreciation	-	(728,484)	(144,372)	-	(512,684)	-	(462,363)	(64,269)	(1,912,192)
	-	233,764	24,228	-	269,279	-	123,463	8,584	659,318
Depreciation rate	5%	15%	15%	20%	10%	10%	15%	20%	



THE KAGHAN MEMORIAL TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

4. PROPERTY, PLANT AND EQUIPMENT

Particulars	Building	Computers & Accessories	Office Equipments	Motor Vehicle	Furniture & Fixtures	Books & Sports Items	Electric Equipments	Other Assets	Total
	-----RUPEES-----								

4.2 THE KAGHAN MEMORIAL SCHOOL

As at July 01, 2018

Cost	18,061,605	142,830	49,044	20,139,522	2,011,045	118,371	1,266,237	371,259	42,159,913
Accumulated Depreciation	(3,429,090)	(66,418)	(38,856)	(3,304,809)	(1,022,845)	(79,212)	(794,498)	(318,446)	(9,054,174)
	14,632,515	76,412	10,188	16,834,713	988,200	39,159	471,739	52,813	33,105,739

For the year ended June 30, 2019

Opening written down value	14,632,515	76,412	10,188	16,834,713	988,200	39,159	471,739	52,813	33,105,739
Additions/ transfers in									
Cost	13,487,459	2,249,720	-	2,556,100	-	-	-	118,315	18,411,594
Accumulated Depreciation	-	-	-	-	-	-	-	-	-
	13,487,459	2,249,720	-	2,556,100	-	-	-	118,315	18,411,594
Deletion/ transfers out									
Cost	-	-	-	-	-	-	-	-	-
Accumulated Depreciation	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Depreciation for the year	(1,066,041)	(178,804)	(1,528)	(3,878,163)	(98,820)	(3,916)	(70,761)	(34,226)	(5,332,259)
	27,053,933	2,147,328	8,660	15,512,650	889,380	35,243	400,978	136,902	46,185,074

As at July 01, 2019

Cost	31,549,064	2,392,550	49,044	22,695,622	2,011,045	118,371	1,266,237	489,574	60,571,507
Accumulated Depreciation	(4,495,131)	(245,222)	(40,384)	(7,182,972)	(1,121,665)	(83,128)	(865,259)	(352,672)	(14,386,433)
	27,053,933	2,147,328	8,660	15,512,650	889,380	35,243	400,978	136,902	46,185,074

For the year ended June 30, 2020

Opening written down value	27,053,933	2,147,328	8,660	15,512,650	889,380	35,243	400,978	136,902	46,185,074
Additions/ transfers in									
Cost	11,994,359	14,000	-	-	3,830,300	-	-	149,825	15,988,484
Accumulated Depreciation	-	-	-	-	-	-	-	-	-
	11,994,359	14,000	-	-	3,830,300	-	-	149,825	15,988,484
Deletion/ transfers out									
Cost	-	-	-	-	-	-	-	-	-
Accumulated Depreciation	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Depreciation for the year	(1,952,415)	(324,199)	(1,299)	(3,102,530)	(471,968)	(3,524)	(60,147)	(57,345)	(5,973,427)
	37,095,877	1,837,129	7,361	12,410,120	4,247,712	31,719	340,831	229,382	56,200,131

As at July 01, 2020

Cost	43,543,423	2,406,550	49,044	22,695,622	5,841,345	118,371	1,266,237	639,399	76,559,991
Accumulated Depreciation	(6,447,546)	(569,421)	(41,683)	(10,285,502)	(1,593,633)	(86,652)	(925,406)	(410,017)	(20,359,860)
	37,095,877	1,837,129	7,361	12,410,120	4,247,712	31,719	340,831	229,382	56,200,131
Depreciation rate	5%	15%	15%	20%	10%	10%	15%	20%	

Property, Plant And Equipment (Combined)

As at July 01, 2020

Cost	43,543,423	3,368,798	217,644	22,695,622	6,623,308	118,371	1,852,083	712,252	79,131,501
Accumulated Depreciation	(6,447,546)	(1,297,905)	(186,055)	(10,285,502)	(2,106,317)	(86,652)	(1,387,789)	(474,286)	(22,272,052)
	37,095,877	2,070,893	31,589	12,410,120	4,516,991	31,719	464,294	237,966	56,859,449
Depreciation rate	5%	15%	15%	20%	10%	10%	15%	20%	



THE KAGHAN MEMORIAL TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

	Note	2020 Rupees	2019 Rupees
5 CAPITAL WORK IN PROGRESS			
Opening balance		11,994,359	23,167,203
Additions during the year		10,792,774	2,314,615
Transfer to property, plant and equipment		(11,994,359)	(13,487,459)
		<u>10,792,774</u>	<u>11,994,359</u>
5.1 This represents cost incurred on construction of school building located at Revenue estate of Mouza Kawai, Tehsil Balakot, District Mansehra.			
	Note	Antivirus Rupees	Total Rupees
6 INTANGIBLE ASSETS			
As at July 01, 2018			
Cost		28,255	28,255
Accumulated amortization		(14,410)	(14,410)
		<u>13,845</u>	<u>13,845</u>
For the year ended June 30, 2019			
Opening written down value		13,845	13,845
Additions / transfers in		-	-
Deletions / transfers out		-	-
Amortization for the year		(4,154)	(4,154)
		<u>9,691</u>	<u>9,691</u>
As at July 01, 2019			
Cost		28,255	28,255
Accumulated amortization		(18,564)	(18,564)
		<u>9,691</u>	<u>9,691</u>
For the year ended June 30, 2020			
Opening written down value		9,691	9,691
Additions / transfers in		-	-
Deletions / transfers out		-	-
Amortization for the year		(2,907)	-
		<u>6,784</u>	<u>9,691</u>
As at July 01, 2020			
Cost		28,255	28,255
Accumulated amortization		(21,471)	(18,564)
		<u>6,784</u>	<u>9,691</u>
Amortization rate		30%	



THE KAGHAN MEMORIAL TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

	Note	2020 Rupees	2019 Rupees
7 SHORT TERM ADVANCES			
Advance annual lease rental on land	7.1	26,674	161,219
Current portion of lease rental		-	-
		<u>26,674</u>	<u>161,219</u>
7.1 This represents advance lease rentals deposited in respect of land located at revenue estate of Mouza Kawai, Tehsil Balakot, District Mansehra. The land is utilized for the purpose of The Kaghan Memorial School.			
8 ADVANCES, DEPOSITS AND PREPAYMENTS			
Advances to suppliers	8.1	-	1,781,687
Employees Advance		35,000	-
Advance tax		20,209	17,220
		<u>55,209</u>	<u>1,798,907</u>
8.1 This represents the advance payment to M/S HB Furniture, Blue area, Islamabad for purchase of furniture for school library.			
9 CASH AND BANK BALANCES			
Cash in hand		1,161,557	1,225,356
Cash at bank - Current accounts			
- Meezan bank limited		2,615,898	3,069,119
- Faysal bank limited		4,438	4,438
- The Bank of Khyber limited		1,827	1,827
- United bank limited		2,898	2,898
		<u>3,786,617</u>	<u>4,303,637</u>
10 GENERAL FUNDS			
Opening balance		(15,583,058)	(16,493,267)
Surplus/ (Deficit) for the year		(1,886,657)	910,209
		<u>(17,469,715)</u>	<u>(15,583,058)</u>
11 DEFERRED GRANTS			
Opening balance		75,069,304	82,338,113
Grants received during the year	11.1	20,613,600	4,049,720
Amortization of grant		(13,218,421)	(11,318,529)
		<u>82,464,483</u>	<u>75,069,304</u>
11.1 For Building, Vehicles & Computers			
Pakistan State Oil		15,000,000	-
Polish Embassy (Computers & Furniture)		2,565,000	2,249,720
Oceandusk Group		3,048,600	1,800,000
		<u>20,613,600</u>	<u>4,049,720</u>



THE KAGHAN MEMORIAL TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

	Note	2020 Rupees	2019 Rupees
12 SHORT TERM LOANS			
Loans from:			
Arcadian Hotels & Resorts (Private) Limited		650,700	1,040,700
Ms. Meraj Humayun Khan		1,550,000	1,550,000
Mr. Khurram Khan (Managing Trustee)		853,336	853,336
Ms. Jennifer Ankrom (Trustee)		-	491,695
Ms. Maryam Khan (Trustee)		300,000	300,000
		<u>3,354,036</u>	<u>4,235,731</u>
12.1 This represents interest free loans for meeting the school construction cost of the building, school operations and other day-to-day expenses of the Trust.			
	Note	2020 Rupees	2019 Rupees
13 ACCRUED AND OTHER LIABILITIES			
Employees salary		3,051,482	1,222,160
Audit remuneration		80,000	80,000
Withholding tax payable		47,221	187,449
		<u>3,178,703</u>	<u>1,489,609</u>
14 INCOME			
Donations		1,226,457	2,737,518
Income from fundraising event	14.1	-	7,484,650
Income from child sponsorship		13,214,534	8,032,606
Amortization of deferred grants		13,218,421	11,318,529
Community contribution		-	110,880
Others - Donation collected in donation boxes		227,155	220,690
		<u>27,886,567</u>	<u>29,904,873</u>
14.1 Income from fund raising events			
Local fundraising event # 1 -Serena Hotel		-	5,645,000
Local fundraising event # 2 (Lucky draw 2018/2019)		-	1,839,650
		<u>-</u>	<u>7,484,650</u>
15 FUND RAISING EXPENDITURE			
Printing and promotion		-	33,912
Miscellaneous		-	39,000
		<u>-</u>	<u>72,912</u>



THE KAGHAN MEMORIAL TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

	Note	2020 Rupees	2019 Rupees
16 KHAGAN MEMORIAL TRUST - HEAD OFFICE			
Staff salaries		1,832,136	1,571,118
Advertisement and website hosting charges		70,237	4,900
Supplies, printing and stationery		68,994	99,797
Postage and courier		860	3,445
Domestic travelling		173,507	115,550
Vehicle running		152,175	142,255
Communication		37,309	42,715
Equipment repairs and maintenance		82,200	114,570
Vehicle repair and maintenance		195,417	60,080
Meals for staff		240,106	277,205
Audit fee		80,000	80,000
Utilities		-	1,000
Bank charges		22,310	47,753
Miscellaneous		24,415	94,547
Depreciation	4.1	99,381	115,121
Amortization	6	2,907	4,154
		<u>3,081,954</u>	<u>2,774,210</u>
17 KHAGAN MEMORIAL SCHOOL			
Staff salaries		14,763,527	12,978,125
Classroom supplies		1,210,901	1,369,707
Office supplies, printing and stationery		80,405	53,480
Lease expenses		134,545	130,626
Domestic travelling		463,201	342,945
Vehicle running		1,545,550	2,507,386
Utilities		287,929	328,547
Communication		33,000	37,700
Building repairs and maintenance		54,000	91,466
Equipment repairs and maintenance		10,000	52,800
Vehicle repair and maintenance		929,185	774,690
Vehicle rental charges		273,720	745,290
Fuel for generator		24,000	65,110
Meals for staff		567,627	692,076
Sports day and annual day expense		304,916	367,073
Board fee		5,000	126,080
Miscellaneous		30,337	152,182
Depreciation	4.1	5,973,427	5,332,259
		<u>26,691,270</u>	<u>26,147,542</u>



THE KAGHAN MEMORIAL TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

	Note	2020 Rupees	2019 Rupees
18 RELATED PARTY TRANSACTIONS			
The Trust has obtained interest free loans for day to day operations.			
RELATIONSHIP	NATURE OF TRANSACTION		
Arcadian Hotels & Resorts (Pvt.) Limited	Interest free loan	650,700	1,040,700
Ms. Meraj Humayun Khan	Interest free loan	1,550,000	1,550,000
Mr. Khurram Khan (Managing Trustee)	Interest free loan	853,336	853,336
Ms. Jennifer Ankrom (Trustee)	Interest free loan	-	491,695
Ms. Maryam Khan (Trustee)	Interest free loan	300,000	300,000
19 NUMBER OF EMPLOYEES			
		Number	Number
Number of employees at year end		64	64
Average number of employees during the period		65	61

20 FIGURES


In these financial statements figures have been rounded off to the nearest rupee and of the previous year have been re- arranged and re-grouped wherever necessary to facilitate comparison.

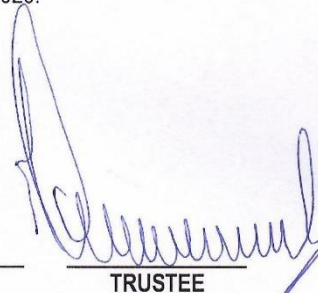
21 AUTHORIZATION FOR ISSUE

The Financial Statements were authorized for issue on the 30th day of September 2020.

Islamabad




 TRUSTEE


 TRUSTEE

Appendix C

KP-PSRA Certification of KMS as an Approved Institution up to Secondary School Level



PRIVATE SCHOOLS REGULATORY AUTHORITY

GOVERNMENT OF KHYBER PAKHTUNKHWA



Dated Peshawar the 31.07.2019

No. MD(KP-PSRA)/3-1/Registration/Mansehra/2018-19: In accordance with the Provision of KP-PSRA Act, 2017, under sub-section (1) and (2) of Section 21, and under sub-clause (5) of Clause 5 and sub clause (1) & (3) of Clause 6, of the KP-PSRA Regulations, 2018, the Competent Authority in KP-PSRA has been pleased to accord approval of Provisional Registration to the Private Institution (s) named below:

School Name	Registration No.	BISE Registration No.	Level of Institution	Gender of Institution	Session of Registration
Kaghan Memorial School, Kewai, Balakot, Mansehra.	220295003308	1344	Play Group To Class-10	Co-education	2018-19

Note: Registration to the Private Institution (s) granted shall automatically expire on 31st March every year. The Head of the Private Institution (s) shall be required to apply for Renewal for the next Academic Session one month prior to the expiry of registration granted to the institution (s).

The school management/administration shall abide by all the norms & standards, categorization and fee regulations, issued from time to time, by this office. In case of failure or non-implementation, the authority shall have the right to cancel the registration for establishment/renewal/up-gradation of Private Institution (s).

Further, in case of violation or concealing any information required under KP-PSRA Act, 2017 and Regulations, 2018, the administration/management of Private Institution (s) shall be held responsible for which this authority have all the powers to deal with the institute under relevant sections of laws and regulations.

--Sd--

DIRECTOR
(REGISTRATION & FEE REGULATIONS)

Endst: of even No. and dated.

Copy Forwarded for information to the;

1. Chairman BISE Abbottabad, Khyber Pakhtunkhwa.
2. Director (Registration & Fee Regulations), KP-PSRA.
3. Chairman District Scrutiny Committee concerned.
4. Deputy Director (M&E/MIS), KP-PSRA.
5. Principal of the school concerned.
6. PS to Managing Director, KP-PSRA.
7. Master File.

(MUHAMMAD QASIM)
ASSISTANT DIRECTOR (Registration)

Appendix D

Approval of KMT as a Non-Profit Organisation with Tax-Exempt Status by Federal Board of Revenue (FBR), Government of Pakistan



2(36)(c) (Order to grant / refuse / maintain / withdraw approval to Non-Profit Organization)

Name: THE KAGHAN MEMORIAL TRUST.
Address: H.NO.1 OLD FIRING RANGE DRIVE MAIN BANI
 GALA ROAD BANI GALA

Contact No: 00923465268480



100000065745096

Registration 2839256
Tax Year : 2019
Period : 01-Jul-2018 - 30-Jun-2019
Medium : Online
Due Date : 17-Dec-2019
Document 17-Dec-2019

In exercise of the powers conferred under Rule 212 (1) of the Income Tax Rules 2002, M/s Kaghan Memorial Trust (NTN 2839256) is approved as Non Profit Organization for the purposes of Section 2(36) of the Income Tax Ordinance, 2001.

2. The approval shall remain valid for a period of 03 years ending from the date of this order i.e. up to 17.12.2022 unless withdrawn earlier for non compliance to any of the provisions/ conditions of Income Tax Ordinance 2001 or the rules made there under.

3. The organization will act as a withholding agent and will submit withholding tax statements and returns of income by the due dates along with the documents prescribed under Income Tax Ordinance 2001 and the rules made there under.

Imran Latif Minhas
Commissioner
Inland Revenue, Zone-Corporate
RTO ISLAMABAD, 20 KHAYABAN E SUHRAWARDY SERVICE ROAD SOUTH G-9 MOUVE AREA G-9/1 ISLAMABAD