

Annual Report

2019-20



AL-HIJRAH SCHOOLS TRUST

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Annual Report 2019-20

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Message from Chairman

During this crisis times where we are pushed into institutionalize schools' closure across the entire country, I personally look forward for greater resilience and adaptability in those leading the education sector. The pandemic has pushed many of poor parents into unemployment situation which may aggravate the conditions for education in our country - with millions of out of school children. The situation if persist may widen the gap between privileged and non-privileged, excluding poor children from education due to lack of access to opportunities.

Meantime, I see a greater role for those working on targeted education programs for children living in poverty. The challenge multiplies for those working in hard-to-reach area with serious lack of infrastructure for digital connectivity.

We need to approach the situation with optimism. It is the time where we need more collaboration among all stakeholders including donors, organizations implementing education programs, parents, health care professionals and community at large.

By the grace of Allah, we will come out of the situation soon but through creative collaboration among all stakeholders, we can minimize the learning loss of the children living in poverty.



Abdul Kareem Saqib



Message from Executive Director

The present situation clearly demonstrates that in education sector with the business as usual we may not be able to move forward. The situation in our country in general and Balochistan in particular require out of the box solution. We have to reach out to the students in mountains and far flung areas with no internet facility and no resources for the alternatives. In this situation the silver bullet of online education may not work for the most.

In order to avoid the learning loss to poor community of Balochistan. Al-Hijrah has considered all the option available at hand, from low tech solution such radio, distance learning programs through provision of cluster wise teaching facility. In a scenario we may require more collaboration from all stakeholders, including individual donors, philanthropist, parents, government and community at large.

During this year, the pandemic alongside regulation requirement from government of Pakistan had serious implications on operations of the project. But we are still hopeful that with strong commitment and the belief with which we are working for great cause, we will come out of situation soon.

This report covers the activities and strategies adopted during the period July 2019- June 20



Abdur Rahman Usmani

Introduction

Al-Hijrah is a charity-based organization providing free of cost residential education to children living in poverty in Balochistan. Under its flagship project Al-Hijrah Residential School and College, Ziarat, students are enrolled in class 7th till class 12th, they are provided quality education with strong focus on character building in a residential set up at Ziarat. Students remain under the supervision and mentoring support of teaching faculty and school leadership 24/7. Through formal and non-formal educational activities, the program inculcates principles of personal development on three ethos of education – respect for humanity, faith and patriotism. In a state-of-the-art building student are provided with effective learning environment with adequate school-based facilities including science labs, computer labs, standard classrooms, internet facility, messing facility, playground and hostels.

To provide educational experience based on real world life experiences, guest speakers are invited to share real world example through interactive session with students at campus. The guest speakers include high achievers, authors, social entrepreneurs, political leaders, journalist and academicians.

One of the unique elements of the project is that Al-Hijrah ensures equal representation through quota based selection where two students from each district of Balochistan are selected. Teachers during their class instruction besides covering syllabus, provide special attention to challenging stereotypes related to ethnicity. This way the program prepares students to play their role as change agents in developing plural society in Pakistan. Our aim is to develop young leaders that may take challenges at local, Ummah and global level.

Alumni management is one of the core element of the program where beneficiaries after graduation from Al-Hijrah are provided with networking, mentoring and scholarship support through various partnership with universities. Through such support mechanism, Al-Hijrah aims to mitigate the risk of drop out from higher education due to lack of financial resources and/or guidance. The support mechanism has resulted in placement of our graduates in top higher educational institutes and promising careers like civil service, doctors, engineers, commissioned officers in armed forces and academia. Engagement of alumni through a registered platform named Al-Hijrah Alumni Pakistan (AAP) has resulted in self-supported initiatives for solving local level development issues.

The trust ensures its operations each year through various individual and institutional level funding and resources generated through Ushur and Zakat.

The report covers highlights, activities, achievement and challenges faced during the 2019-20,

Al-Hijrah Infographics for the year 2019-20



Current Student Enrollment
352



Total Graduates Since Inception
312



Alumni Completing Higher Education
108



Employed Alumni (65%)
74



100% Graduates Pursuing
Higher Education



Provincial Government Awarded Al-Hijrah with Balochistan Excellence Award in 2017



28 Major Success stories



Exam Result for SSC
Students were promoted
without exam due to Covid 19



Exam Result for HSSC
Students were promoted
without exam due to Covid 19

Outbreak of Covid 19 and Its Impact on Education Activities

Due to outbreak of Covid-19, government of Pakistan announced general school closure across Pakistan. From March 2020 to July 2020 around 300,000 schools were closed. Experts at the time anticipated that around 50 million schools and universities Pakistani nationals are at risk of falling behind.¹ Government announced to start online classes for teaching and learning at schools and universities. But internet accessibility remained a major hurdle in accessing learning and teaching activities at education institutes for students in remote areas of Balochistan, Gilgit Baltistan and Khyber Pakhtunkhwa. Hundreds of students protested against government decision for using digital platform for teaching and learning. This protest was justified by data of Pakistan Telecommunication Authority which claimed only one million students across Pakistan have access to digital devices and bandwidth. The World Bank report anticipated that due to the situation in education sector at Pakistan, learning poverty in Pakistan will reach to 79%. According to another report 930,000 students are pushed to drop out from schools due to the crises pandemic has brought in education sector.²



In July 2020 first case of Corona was reported from Karachi
In April 10, 2020, 54 706 suspected coronavirus cases were reported in Pakistan, 4695 of which tested positive for COVID-19



300,000 schools were closed.
930,000 children were pushed to drop out from Schools
Country Learning Poverty Rate anticipated to reach 75%
One million students

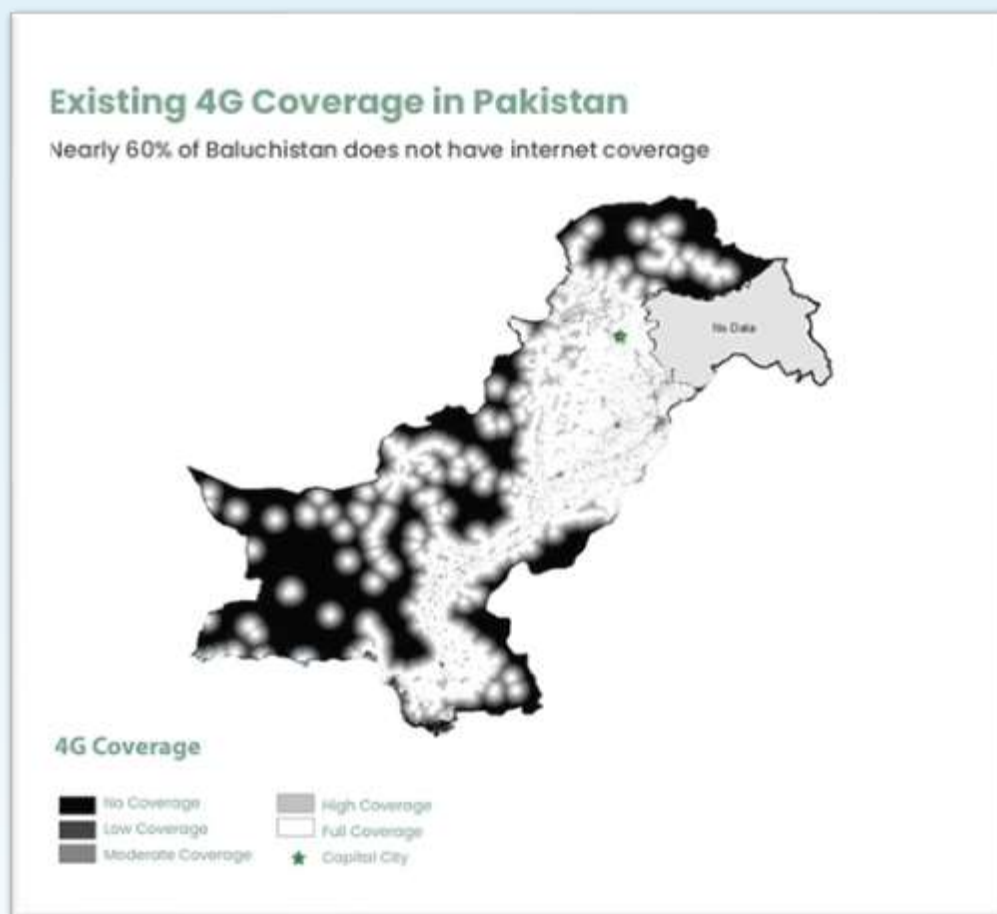
¹ <https://www.bbc.com/worklife/article/20200713-the-coronavirus-effect-on-pakistans-digital-divide>

² <https://openknowledge.worldbank.org/handle/10986/34659>

Impact Covid 19 on Activities of Al-Hijrah

In compliance with the government instruction and in the best interest of health of the students, Al-Hijrah closed its academic activities from March 2020 onward. Al-Hijrah leadership did not anticipated shuttered doors and closed building of the institute – the only hope for children living in poverty at Balochistan. We felt that the closure will put an indefinite pause on future of beneficiary student.

After accepting the reality of pandemic, major challenge was to approach students in remote areas of Balochistan for teaching and learning activities. Balochistan with mountainous terrane have limited access to internet. According to report by Business Recorder Pakistan, 60% of the area in Balochistan have no access to internet and the remaining 40% of area have access to much slower speed than average speed in the country.³



Source: The Fietcher School, Tufts University, Taken from page of Business Recorder, Pakistan

In the above scenario, the Al-Hijrah is considering multiple options to avoid learning loss to our beneficiary students. The leadership has contacted various edu-tech companies for developing content for distance learning programs. Our plan is to provide video recorded lectures in portable

³ <https://www.brecorder.com/news/40036611/60pc-of-balochistan-is-without-internet-coverage>

USBs with handouts and assessment material through courier service. Another proposal on which leadership is working currently, is hiring of cluster based local teaching staff to reach our beneficiary student in remote areas of Balochistan.

Impact of Covid 19 on Fund Raising Activities of Al-Hijrah

The fear of pandemic and announcement of lockdown had a serious implication on our fund-raising activities. The situation created difficulties in reaching out to our individual donors to support routine and recurrent expenses. Al-Hijrah solicited partnership requests for some corporate companies to support our activities under the Corporate Social Responsibility fund but the lockdown situation halted the process of cultivating corporate donors and philanthropic institutions effectively to support our cause.

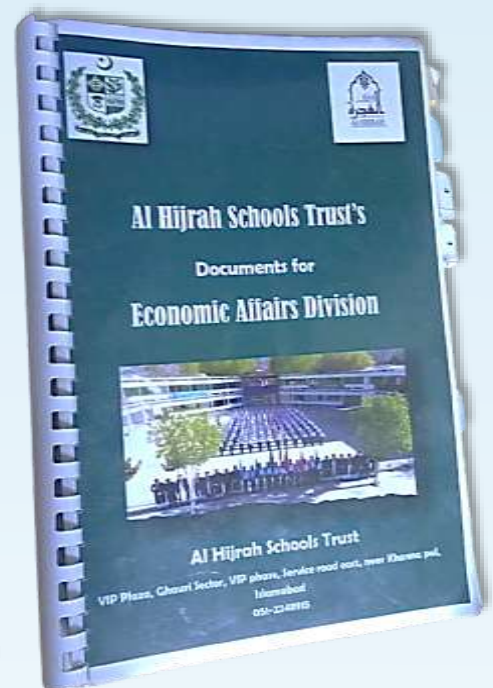


Closed and Empty Building of the Campus Due to Covid 19

Government Regulations and Documentation Requirement for NGOs

Government of Pakistan introduced INGO policy back in 2015 where Ministry of Interior, Pakistan through multi-agency INGO committee had to review application, examining financial statements, legal status, tax return status, staff details, annual plan and contracts of partnership with international donors. The government under the process conducts a security clearance for the organization and after the clearance, government signs an MoU with the organization. Later on, the responsibility for coordination of NGOs was shifted to Economic Affairs Division. After November 2019, the division ceased financial transaction with international donor through banking channels for many non-profit organizations that failed to submit requisite documents. Al-Hijrah was among several other non-profit organizations who were unable to receive foreign funding. We were unable to do foreign transactions through banking channel from February, 2020 onward.

The head office team took the challenge of preparing extensive list of documents – pre-requisite for signing memorandum of understanding with Economic Affairs Division. All the formalities and documentation requirement were fulfilled. Upon submitting the first draft it was communicated by EAD that the remaining funding period for our partnership with TDV was less than the required benchmark for signing MoU. Negotiating extension of the partnership period with donor took a fairly longer period of time. The said commitment was obtained in 09 months, after which case was submitted for MoU process, and we were provisionally allowed use banking channel.



The File of AHST Documents for Economic Affairs Division

Impact of Government Regulations on Activities of Al-Hijrah

Preparation of documents and meeting requirements of EAD was a time-consuming and tedious assignment. Due to the regulation, we were unable to secure funding from Türkiye Diyanet Vakfı - our major donor. Funding constraints from our major donor and stoppage of our fund-raising activities due to the pandemic, compounded financial crisis of the organization. The organization was unable to pay salaries to majority of the staff. The head office staff working on documents and meeting requirements for MoU with EAD was paid partially through contribution from our local individual donors.

Assessment and Promotion of Al-Hijrah Boards Students

Since the government announced to closed down all education institutes from March 07, 2020, all upcoming exams were also cancelled. Later on, government announced a policy to promote all classes to next class without any exams. Following the policy Al-Hijrah did not conduct, exams this year.

Covid-19 just like in the entire world, had an adverse effect on our education activities, I along other teachers reached the campus on March 02, 2020, but following government decision we had to closed down the college. We faced serious challenges in reaching our students for teaching and learning activities. We tried to reach our students through online digital platforms, but had little success in this regard. There were two main reasons for that, first Balochistan has limited internet coverage and second only 8 among 24 board level student had smart phones in their families.



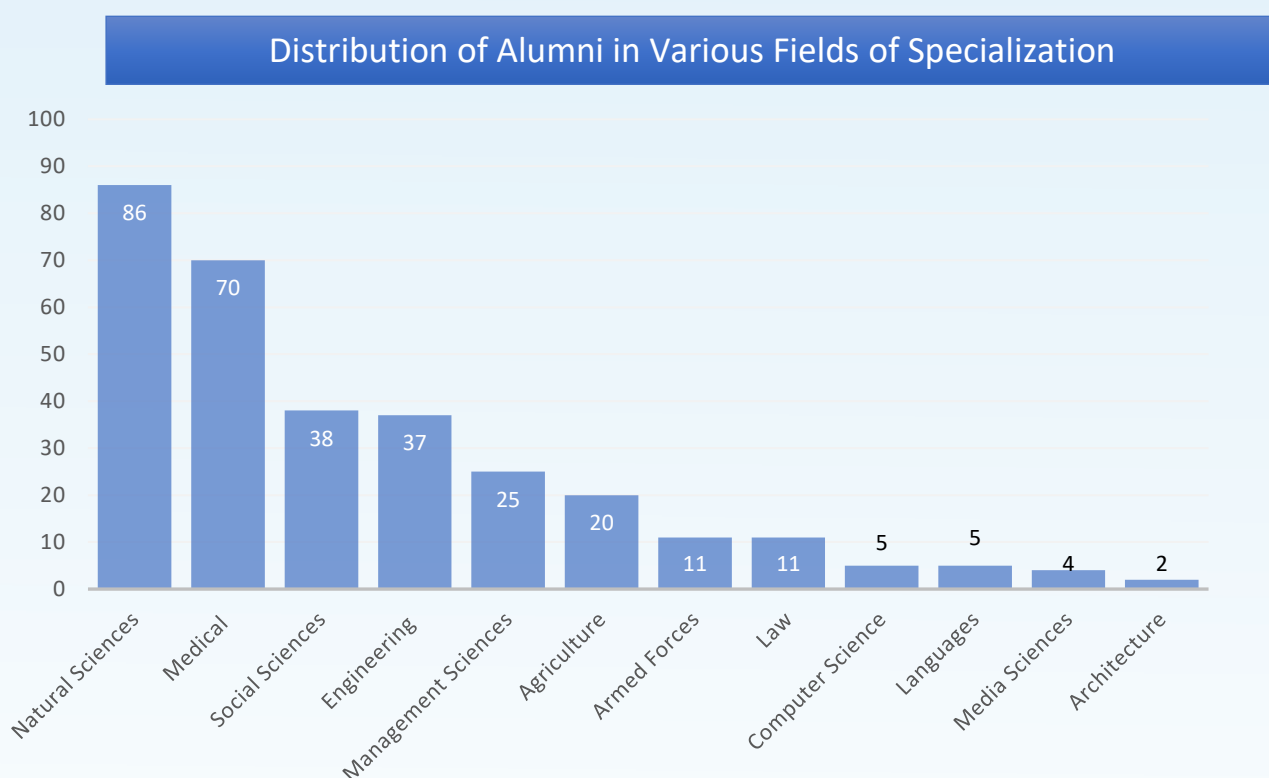
Mr. Muhammad Abdullah

Vice Principal,
Al-Hijrah Residential School and
College Ziarat.



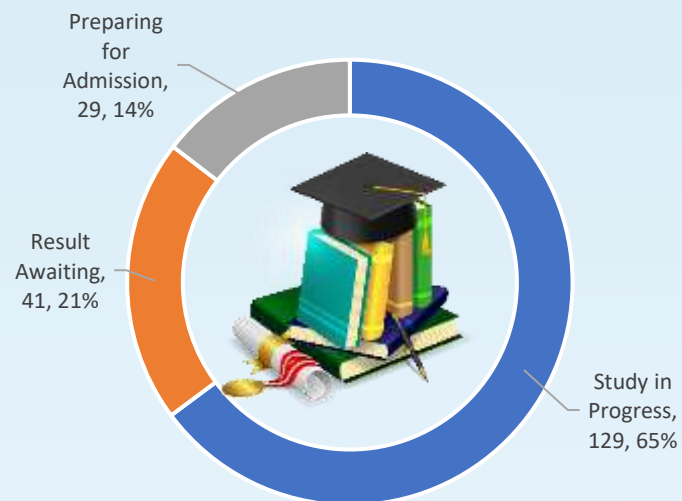
Alumni Highlights

Alumni management is one of the core elements of Al-Hijrah Schools Trust's education program for supporting children from lower income backgrounds. Al-Hijrah has created network of alumni that can turn into a strong advocate of mission of Al-Hijrah if managed effectively. With the help of updated alumni database that can tracks who is where and in what capacity. The Al-Hijrah team and alumni members stay in touch with every member of the alumni. The database and strong networking through digital platform, study circles and alumni events helped students in reaching out where our alumni is studying/working and whom to reach out for support in placement and career guidance. This support mechanism has helped in placement of around 312 alumni members in various renowned higher education institutes and prestigious job careers including civil service, medical doctors, engineers, academic leaders and commissioned officers in defense sector. The below chart gives a brief overview of our alumni placement in various fields.



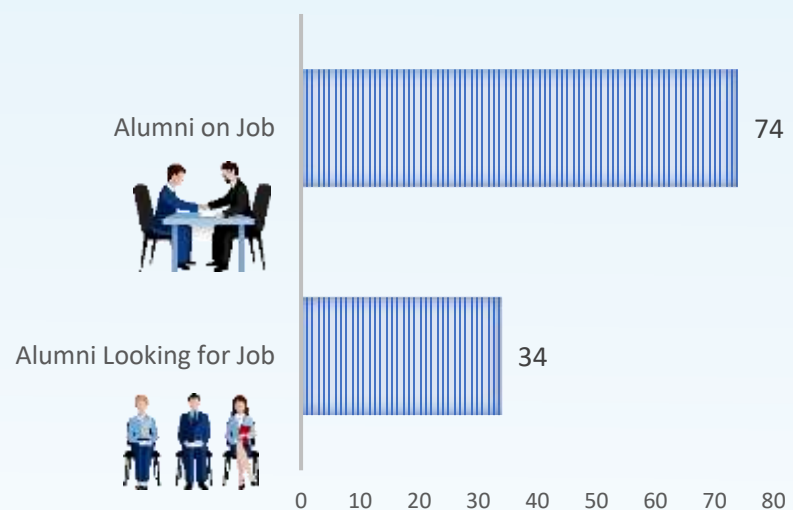
Alumni in Higher Education

Out of total 312 alumni, 108 which make almost 35 % of the students completed higher education from prestigious universities across the country. Summary of remaining 65% students is given in the chart.



Alumni on Job

Out of 108 students who completed their higher education, 74 of them succeeded in getting decent jobs in civil service, armed forces, academia, administration, medical and engineering.



Al-Hijrah Alumni Pakistan

One of the unique objectives of Al-Hijrah education program is promotion of civic responsibility and spirit of social entrepreneurship to solve local problem through self-supporting and self-generating endogenous movements. Al-Hijrah Alumni Pakistan is a registered forum for nurturing civic entrepreneurship. The AAP has organized structure with proper secretariate at Quetta Balochistan.

This year, members of our Alumni has served the nation with the spirit and values inculcated in them during their stay at the institution. Our alumni members – medical doctors have served the nation as a frontline warrior in COVID-19 crisis.

Through self-supporting initiative, AAP this year organized a medical camp at Ziarat to facilitate free medical treatment of men, women and children belonging to humble backgrounds in surrounding areas. A team of medical doctors including, Cardiologist, Neurologist, Dentist, Eye Specialist, ENT specialist, Orthopedic specialist and Gynecologist provided free services to medical camp visitors. Free medicine was also provided to patients.

To support higher education of junior Al-Hijrah graduates, AAP members started raising “Scholarship Fund for Education”. This year the AAP members raised Rs 48,000 to support payment of university fee for those who cannot afford.



Dr Zakauallah a Proud Alumni Member serving the community during Covid-19 Pandemic



Medical Camp Organized by Alumni Members in xyz

Highlights of Alumni Activities and Achievements



Al-Hijrah Alumni Cabinet and Executive members meeting held at MPA Hostel Quetta on March 05, 2020



A meeting of AAP – 4, hosted by Mr. Sultan at his residence on March 05, 2020. Mr. Khair Muhammad (Manager Liaison) also participated in the event



AAP constitutional Review Committee meeting March 1, 2020, AG 2 Complex Hostel BMC, Balochistan



AAP Lahore Zone, meeting with Mr. Abdul Kareem Saqib at Gulberg Hotel, Lahore at March 01, 2020



Study circle conducted by Alumni Faisalabad Zone at Tariq Hall,
University of Agriculture, Faisalabad



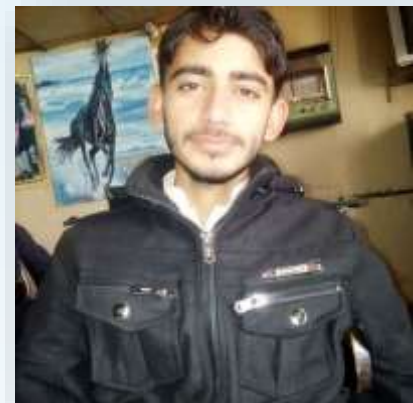
AAP constitutional Review Committee
meeting March 1, 2020, AG 2 complex
hostel BMC, Balochistan



Abdul Qadeer Selected in
BDS, Punjab Medical
University, Faisalabad



Syed Amin Shah got admission
in MBBS at DG khan Medical
College, DG khan



Syed Amin Shah Sselected in
MBBS at DG khan Medical
College, DG khan

Networking and Fund Raising

Partnership with TDV – Major Donor

Since inception, Al-Hijrah was looking for a long term partnership with a donor whose mission aligns with objective of Al-Hijrah. The partners with same mission and having history of meaningful support in education was inevitable for smooth running of the program. Partnership with TDV was major development in donor networking since 2014 which has been yielding since then till now.

Since the initial contract with TDV for six years is about to end in September 2020, Al-Hijrah has started formal communication for contract extension beyond September 2020. A brief report on impact of TDV support for previous six years was also shared with the TDV.



Brain Storming with Akhuwat Foundation

Akhuwat is a not-for-profit organization which was founded in 2001 on the Islamic principle of Mawakhat (مواخات) or solidarity. The foundation works for poverty free society in Pakistan through interest free microfinance and targeted education program for minorities and children living in poverty. Al-Hijrah since long is aspiring for long term partnership with Akhuwat for promotion of education in Balochistan. Previous year Akhuwat hosted Al-Hijrah students for winter camp in Kasur. This year, due to financial crisis in wake of Covid 19 and government regulations for foreign funding, Al-Hijrah is persuading Akhuwat for medium term support for staff salaries and routine education activities.



Communication with SSGC

Sui Southern Gas Company (SSGC) is a Public Listed Large-Scale Company (LSC) and is a Pakistan's leading integrated gas company. The company is engaged in transmission and distribution of natural gas. SSGC through organized corporate social responsibility program facilitates empowerment of lesser privileged communities in its franchise provinces of Sindh and Balochistan. The company provides educational support to needy yet meritorious students in Balochistan. SSGC supported scholarship of eight students from 2015 to 2019, for four years. Based on satisfactory results of the beneficiary students, Al-Hijrah, this year started cultivating relationship with SSGC for another four years partnership to support children living in poverty.



Highlights of Networking Activities



CEO Presenting Al-Hijrah brochure to Ms Aliki Ko Founder, Director, CEO at Warriors 4 elements



Brother Abdur Rahman Usmani, Chairman Abdul Karim Saqib meeting with Rayed Afzal, managing director, EAST, to discuss Partnership Possibilities



Jalaluddin Qureshi professor and environmentalist to discuss and prospects for future



Mohammad Amin Sb founder Chairman Idare Islahey Taleem to discuss possibilities for partnership and synergy for education development

Annexure -Financial Report 2019-20

AL-HIJRAH SCHOOLS TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020



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CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF TRUSTEES OF AL-HIJRAH SCHOOLS TRUST

Report on the Audit of the Financial Statements

Opinion:

We have audited the annexed financial statements of **Al-Hijrah Schools Trust (the 'Trust')**, which comprise the statement of financial position as at June 30, 2020, the statement of income & expenditure and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Trust as at June 30, 2020, and of its financial performance and its cash flows for the year then ended in accordance with the Accounting Standards for Not-for-Profit Organizations issued by the Institute of Chartered Accountants of Pakistan (ICAP) and International Financial Reporting Standards (IFRSs) 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 Standards 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 other ethical responsibilities in accordance with the requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements:

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRSs) as applicable in Pakistan and for such internal controls as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Trust's financial reporting process. 



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Emphasis of Matter:

As discussed in note 3.8 to the financial statements, the Trust has so far not been able to get approval from tax authorities for becoming eligible as non-profit organization u/s 2(36) of the Income Tax Ordinance, 2001 read with section 100C of the Ordinance, Hence, its income is exposed to charge of income tax as "Association of Persons" under the Tax Ordinance. However, our opinion is not qualified in respect of this matter.

Other matter:

Financial Statements of the previous year were audited by M/S IECnet S.K.S.S.S & Co, Chartered Accountants who gave their unmodified audit opinion vide their report dated June 19, 2020.

Peshawar

15 SEP 2021



Shahid Ahmad
SHAHID AHMAD & CO.
Chartered Accountant
Manzoor Ahmed Savul FCA
Engagement partner

AL-HIJRAH SCHOOLS TRUST

Statement of Financial Position

As at June 30, 2020

	Note	2020 -----Pak Rupees-----	2019
ASSETS			
Non- Current Assets			
Property & equipment	4	17,395,254	13,740,030
Capital work in progress	5	2,849,317	2,849,317
Long term securities against office rent		100,000	100,000
		20,344,571	16,689,347
Current Assets			
Advances & deposits	6	2,741,474	1,585,300
Cash & bank balances	7	1,802,849	4,481,422
		4,544,323	6,066,722
		24,888,894	22,756,069
FUND & LIABILITIES			
General fund	8	13,935,324	20,230,164
Current Liabilities			
Accrued & other liabilities	9	10,953,570	2,525,905
CONTINGENCIES & COMMITMENTS			
	10	-	-
		24,888,894	22,756,069

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



TRUSTEE



TRUSTEE

AL-HIJRAH SCHOOLS TRUST

Statement of Income & Expenditure

For the year ended June 30, 2020

	Note	2020	2019
		-----Pak Rupees-----	
INCOME			
Donations & charity	11	36,720,031	49,631,332
Other receipts		5,270	2,875
		36,725,301	49,634,207
EXPENDITURE			
Project expenses	12	37,534,932	42,674,422
Administrative	13	5,485,209	6,990,358
		43,020,141	49,664,780
DEFICIT FOR THE YEAR		(6,294,840)	(30,573)

The annexed notes from an integral part of these financial statements.


 TRUSTEE


 TRUSTEE

AL-HIJRAH SCHOOLS TRUST

Statement of Cash Flows

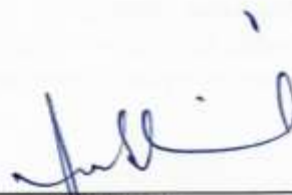
For the year ended June 30, 2020

	2020	2019
	-----Pak Rupees-----	
Cash flows from operating activities		
Deficit for the year	(6,294,840)	(30,573)
Adjustment for:		
Depreciation	3,127,394	2,476,069
Surplus before working capital changes	(3,167,446)	2,445,496
Working capital changes:		
(Increase)/decrease in current assets		
Advances & deposits	(1,156,174)	(391,919)
Increase/(decrease) in current liabilities		
Accrued & other liabilities	8,427,665	716,494
	7,271,491	324,575
Net cash flow from operating activities	4,104,045	2,770,071
Cash flows from investing activities		
Additions in property & equipment	(6,782,618)	(1,199,312)
Increase in long term securities	-	(62,000)
Net cash flows used in investing activities	(6,782,618)	(1,261,312)
Net cash flow during the year	(2,678,573)	1,508,759
<i>Cash & cash equivalents at the beginning</i>	4,481,422	2,972,663
<i>Cash & cash equivalents at the end</i>	1,802,849	4,481,422

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



TRUSTEE



TRUSTEE

Notes to the Financial Statements

For the year ended June 30, 2020

1 STATUS & ACTIVITIES

Al-Hijrah School Trust is an Islamic Charitable Institution established in Pakistan and registered with Joint/Sub Registrar, Islamabad under Trust Act, 1882 on June 15, 2002. The registered office of the Trust is situated at VIP Plaza Basement of VIP Ghouri Town Service Road East near KhanaPul, Islamabad. The objects of the Trust include to establish high standard educational institutions for muslim children and youth; to design, prepare and offer educational courses matching international standards; and to undertake, organize and promote research and dissemination of knowledge. The Trust has so far established its first school at Ziarat in Balochistan Province which imparts free education to the students of the Area. The school is being managed through its Head office located at Islamabad.

2 BASIS FOR PREPARATION

2.1 Statement of compliance:

These financial statements have been prepared in accordance with the Accounting Standards for Not for Profit Organizations (NPO) issued by the Institute of Chartered Accountants of Pakistan (ICAP) and International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as applicable in Pakistan. Where the requirements of IFRS differ from those of the Accounting Standard for NPOs, the requirements of the IFRS prevail.

2.2 Basis of accounting:

These financial statements have been prepared under the historical cost convention.

2.3 Use of estimates & judgments:

The preparation of financial statements in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amount of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Significant area requiring the use of management estimates in these financial statements relate to the useful life of depreciable assets and provision for the doubtful receivable.

2.4 Property and equipment:

The Trust reviews the useful life and residual values of property & equipment on a regular basis. Any change in the estimates in future years might affect the carrying amounts of the respective items of property, plant & equipment with a corresponding effect on depreciation charge and the impairment.

3 SIGNIFICANT ACCOUNTING POLICIES

3.1 Property and equipment:

These are stated at cost less accumulated depreciation and impairment losses, if any. Depreciation charge is based on the written down value method at rates disclosed in note 4 whereby the cost of an asset is written off to income & expenditure account over its estimated useful life. Depreciation on addition is charged from the day on which the asset is put to use and on disposal, up to the day the asset has been in use.

Maintenance and normal repairs are charged to income as and when incurred. Major renewals and improvements are capitalized when it is probable that respective future economic benefits will flow to the Trust and cost of the item can be measured reliably, and the assets so replaced, if any, are carried. Gains or losses on disposal of fixed assets, if any, are included in the statement of income & expenditure.

Notes to the Financial Statements

For the year ended June 30, 2020

3.2 Impairment:

The carrying amount of the Trust's assets are analyzed at each reporting date to determine whether there is any indication of impairment loss. If any such indication exists, the recoverable amount of assets are estimated in order to determine the extent of the impairment loss, if any. Impairment losses are recognized as expense in the Statement of Income & Expenditure.

3.3 Capital work-in-progress:

Capital work-in-progress is stated at cost less any identified impairment loss. All expenditure connected with specific assets incurred during installation and construction period are carried under capital work-in-progress. These are transferred to operating fixed assets as and when these are available for use.

3.4 Cash & cash equivalents:

Cash & cash equivalent are carried in the Statement of Financial Position at nominal amount. For the purposes of statement of cash flows, cash & cash equivalent comprise of cash in hand, balance with banks.

3.5 Provision:

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

3.6 Income Recognition:

Income is recognized when it is probable that the economic benefits associated with the transaction will flow to the trust and the amount of income can be measured reliably.

- (i) Donations for operations are recognized as receipts and are taken as income.
- (ii) Donations received for specific purposes are used in accordance with the stipulations attached thereto.
- (iii) Donations related to assets are presented in financial statements as "Deferred income" and recognized in the income statement on a systematic basis over the period in which their related costs are recognized as "expenses" i.e. annual depreciation.

3.7 Creditors, accrued, and other liabilities:

Accounts payable and other amounts payable are initially recognized at fair value, which is normally the transaction cost and subsequently measured at amortized cost using the effective interest method.

3.8 Taxation-current:

The Trust is allowed a tax credit equal to one hundred per cent of the tax payable, including minimum tax and final taxes, under section 100C of the Income Tax Ordinance, 2001 subject to complying requisite conditions as specified u/s 100C of the Ordinance. The Trust has applied for registration as a NPO u/s 2(36) of the Income Tax Ordinance, 2001, however, no order against their application has so far been issued by the tax authorities. The Trust has filed their annual tax return for Tax Year-2019 as NPO.

AL-HURAH SCHOOLS TRUST

Notes to the Financial Statements

For the year ended June 30, 2020

4. PROPERTY & EQUIPMENTS- AT COST LESS ACCUMULATED DEPRECIATION

4.1 Operating Fixed Assets

PARTICULARS	BUILDING RENOVATION	FURNITURE & FIXTURE	OFFICE EQUIPMENT	ELECTRIC EQUIPMENT	LIBRARY BOOKS	COMPUTER & LAPTOPS	VEHICLES	CROCKERY	TOTAL
COST:									
As at July 01, 2018	6,333,718	8,002,158	2,582,027	610,605	1,497,933	576,000	3,697,965	960,326	24,260,732
Additions during the year	-	553,720	6,455	63,360	435,177	133,000	-	7,600	1,199,312
As at June 30, 2019	6,333,718	8,555,878	2,588,482	673,965	1,933,110	709,000	3,697,965	967,926	25,460,044
As at July 01, 2019	6,333,718	8,555,878	2,588,482	673,965	1,933,110	709,000	3,697,965	967,926	25,460,044
Additions during the year	2,848,140	2,657,858	4,000	1,041,850	7,470	217,500	-	5,800	6,782,618
As at June 30, 2020	9,181,858	11,213,736	2,592,482	1,715,815	1,940,580	926,500	3,697,965	973,726	32,242,662

Pak Rupees

ACCUMULATED DEPRECIATION:

As at July 01, 2018	2,168,532	3,092,515	1,281,368	286,513	782,378	323,281	979,224	330,134	9,243,945
Depreciation for the year	416,519	819,504	196,067	116,236	172,610	115,716	543,748	95,669	2,476,069
As at June 30, 2019	2,585,051	3,912,019	1,477,435	402,749	954,988	438,997	1,522,972	425,803	11,720,014
As at July 01, 2019	2,585,051	3,912,019	1,477,435	402,749	954,988	438,997	1,522,972	425,803	11,720,014
Depreciation for the year	659,681	1,095,258	167,257	393,920	147,839	146,251	434,999	82,189	3,127,394
As at June 30, 2020	3,244,732	5,007,277	1,644,692	796,669	1,102,827	585,248	1,957,971	507,992	14,847,408

W.D.V:

As at July 01, 2019	3,748,667	4,643,859	1,111,047	271,216	978,122	270,003	2,174,994	542,123	13,740,030
As at June 30, 2020	5,937,126	6,206,459	947,790	919,146	837,753	341,252	1,739,995	465,734	17,395,254

RATE OF DEPRECIATION:

10%	15%	15%	30%	15%	30%	20%	15%
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Depreciation has been allocated as under

Project expenses
Administrative expenses

	2020	2019
Project expenses	2,376,819	1,881,812
Administrative expenses	750,575	594,257
	3,127,394	2,476,069

AL-HIJRAH SCHOOLS TRUST

Notes to the Financial Statements

For the year ended June 30, 2020

	Note	2020	2019
		-----Pak Rupees-----	
5 CAPITAL WORK IN PROGRESS		2,849,317	2,849,317
This represents the cost of construction incurred up to the year 2017 by the Trust for construction of residence for Principal of the Ziarat School. However, the construction work has since been suspended due to paucity of funds.			
6 ADVANCES & DEPOSITS			
Receivables		800,000	100,000
To staff against salaries		417,053	180,000
Income tax		1,093,921	874,800
To alumni		18,000	18,000
		2,328,974	1,172,800
Security deposits		412,500	412,500
		2,741,474	1,585,300
7 CASH & BANK BALANCES			
In hand		981,958	47,333
With banks - in current account		820,891	4,434,089
		1,802,849	4,481,422
8 GENERAL FUND			
Balance as at 01 July,		20,230,164	20,260,737
Deficit for the year		(6,294,840)	(30,573)
		13,935,324	20,230,164
9 ACCRUED & OTHER LIABILITIES			
Utilities		225,050	221,870
Audit fee		100,000	75,000
Salaries		8,605,177	1,811,017
Other liabilities		2,023,343	418,018
		10,953,570	2,525,905
10 Contingencies & commitments:			
The Ziarat School has stopped payment against gas consumption bills received against gas account No.7653048243 (9) since November 7th, 2019 after registering a complaint for incorrect billing with Sui Southern Gas Company Limited. The matter has still remained disputed on June 30, 2020. In case, the matter is not resolved favourably, the school will be liable to pay accumulated bill amounting to Rs. 910,030 or as decided otherwise.			
There is no commitments as at June 30, 2020.			
11 DONATIONS			
Diyanat Vakfi-Turkey		34,102,533	43,187,291
Local donations		2,467,859	4,467,886
Qatar Charity		149,639	1,976,155
		36,720,031	49,631,332

Notes to the Financial Statements

For the year ended June 30, 2020

		2020	2019
		-----Pak Rupees-----	
12 PROJECT EXPENSES	Note		
Al-Hijrah residential school & college-Ziarat	12.1	37,534,932	41,862,803
Winter Camp Expenses 2019	12.2	-	811,619
		37,534,932	42,674,422
12.1 Al-Hijrah residential school & college-Ziarat			
Salaries, wages & benefits		22,915,819	18,943,605
Telephone, postage & internet		38,215	151,558
Utilities		2,222,695	3,507,473
Newspaper & periodicals		3,250	9,144
Entertainment		59,720	338,474
Printing & stationery		289,931	250,928
Repair & maintenance		289,310	825,257
Students mess		5,706,146	6,321,501
Student uniform		44,000	5,024,370
Scholarships & prizes		555,368	309,650
Legal & professional charges		701,725	260,800
Alumni expenses		-	294,179
Laboratories		7,750	94,586
Medical expenses		10,245	16,841
Affiliation & board registration		568,300	520,100
Accommodation & hotel stay		454,951	400,045
Advertisement		95,700	447,440
Videography & photography		-	25,000
POL		492,919	258,556
Depreciation		2,376,819	1,881,812
Travelling & conveyance		286,259	1,726,536
Sports & function		61,520	78,040
Miscellaneous		354,289	176,908
		37,534,932	41,862,803
12.2 Winter Camp Expenses 2020			
Messing & kitchen		-	38,715
Hotel & accommodation		-	35,000
Printing & stationery		-	780
Misc. expenses		-	737,124
		-	811,619

Notes to the Financial Statements

For the year ended June 30, 2020

	Note	2020	2019
		-----Pak Rupees-----	
13 ADMINISTRATIVE EXPENSES			
Salaries, wages & benefits		2,338,086	3,237,876
Telephone, postage & internet		72,530	145,238
Postage & telegraph		18,115	45,576
Newspaper & periodicals		-	32,792
Utilities		-	167,590
Office rent		1,310,000	1,320,099
Entertainment		130,747	187,226
Printing & stationary		160,322	121,861
Repair & maintenance		55,920	20,650
Legal & professional charges		-	124,488
Mess allowance		2,495	36,577
Audit fee		100,000	91,100
Bank charges/ commission		6,972	-
Depreciation		750,575	594,257
Travelling & conveyance		347,183	565,347
Software license fees		-	40,000
Fine and penalties		43,408	60,760
Miscellaneous		148,857	82,816
		5,485,209	6,874,253
14 DATE OF AUTHORISATION			
These financial statements have been authorized for issue by Board of Trustees on 15 SEP 2021			
15 NUMBER OF EMPLOYEES;			
Total number of employees at the end of the year		48	48
Average number of employees during the year		48	48
16 GENERAL			
16.1	Figures have been rounded off to the nearest rupee.		
16.2	Figures of the previous year have been re-arranged for the purpose of comparison.		


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