



ZINDAGI
TRUST

2025

ANNUAL REPORT

A YEAR IN
REVIEW



Thank you for your incredible support throughout 2025



Your generosity enabled us to continue providing high-quality education in our adopted government schools in Karachi and to empower students nationwide through our advocacy for policy reform.

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About Us

Founded in 2002 by philanthropist and musician Shehzad Roy, Zindagi Trust is a non-profit working to transform public education in Pakistan. Through innovative pilot programs in two adopted government schools in Karachi, we create model learning environments and share successful practices with the Government to drive policy reform and systemic change.

Our advocacy has improved the quality of education for millions of students and helped inspire a nationwide movement for NGOs to adopt and reform government schools.

Our sister organization, Durbeen, is elevating the teaching profession by training well-qualified public school teachers. In partnership with the Government, Durbeen adopted the Government Elementary College of Education, Hussainabad - Pakistan's first public-private partnership in higher education - setting a new standard for teacher preparation.

Together, Zindagi Trust and Durbeen are working to ensure that every child, regardless of gender or background, has access to high-quality education and a brighter, more equitable future.

Message from Our President

“When I started Zindagi Trust, I had a vision to improve the lives of children across Pakistan. We have evolved as an organization over the years, from educating working children to transforming government schools and now focusing on systemic education reform. I am proud of the change we have brought - creating models that inspire belief and driving policy wins in school governance and child protection. In education, no difference makes all the difference, and I hope, pray, and work every day to ensure we continue to adapt and best serve our children.”

SHEHZAD ROY
Founder and President



Our Adopted Schools

Zindagi Trust has transformed two under-resourced government girls' schools in Karachi into model institutions of learning. Our interventions involve upgrades in infrastructure, governance, administration, teacher professional development, academic innovation and a rich menu of co-curricular activities. Based on the lessons learned and success of these programs, we advocate for education reform through policy change and legislation, directly impacting over 3,000 girls this year and indirectly reaching millions more in public schools across Pakistan



SMB Fatima Jinnah Government Girls School

- Adopted in 2007
- 2,473 Students
- 220 Teachers
- Flagship School
- Multi-Ethnic
- Garden West, Karachi



Click on the video to play
School Campus Walkthrough



Khatoon-e-Pakistan Government Girls School

- Adopted in 2015
- 1,016 Students
- 102 Teachers
- Replicating Model
- Multi-Ethnic, Multi-Religious
- Stadium Road, Karachi



Click on the video to play
School Campus Walkthrough

ZINDAGI TRUST ANNUAL REPORT 2025

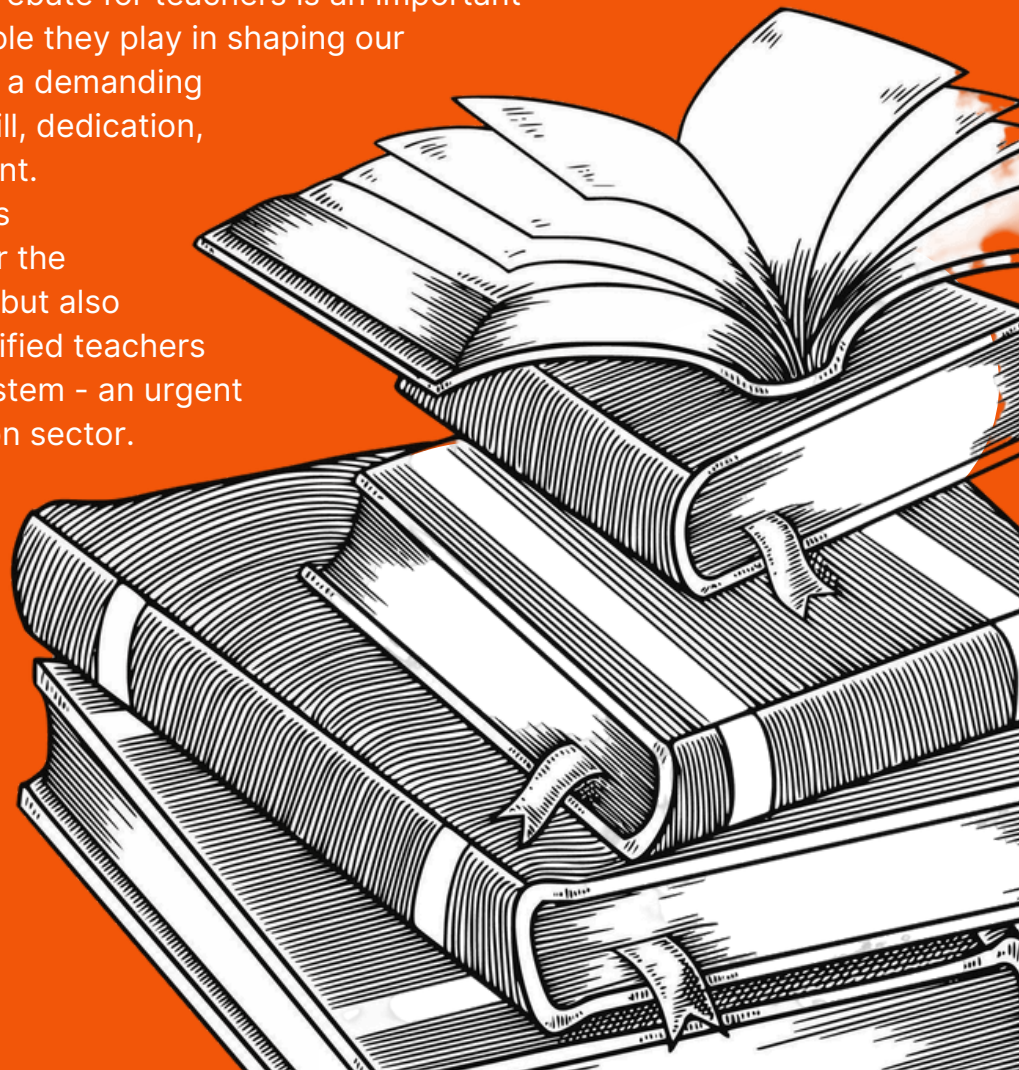
Partnerships & Advocacy



Reinstating Teacher Rebates & Removing Tax on Books: A National Imperative

Reversing the 10% sales tax on books and reinstating the 25% tax rebate for teachers are essential steps toward strengthening Pakistan's education landscape. Books are fundamental learning tools, and imposing a sales tax creates an unnecessary barrier to access—particularly for students and families already struggling with the rising cost of education. Ensuring that books remain affordable is vital for promoting literacy, nurturing curiosity, and enabling equitable learning opportunities across the country.

Similarly, restoring the tax rebate for teachers is an important recognition of the critical role they play in shaping our nation's future. Teaching is a demanding profession that requires skill, dedication, and continuous development. Financial incentives such as tax rebates not only honour the contributions of educators but also help attract and retain qualified teachers within the public school system - an urgent need in Pakistan's education sector.



Pakistan Issues Teaching Licenses for the First Time in History

A historic milestone for Pakistan's education system: for the first time, teaching licenses have been issued, and all licensed teachers have been directly inducted into Grade 16. This progressive step by the Government of Sindh - led by Chief Minister Murad Ali Shah and championed by Education Minister Sardar Ali Shah - marks a transformative moment for the teaching profession.

19 graduates from Durbeen's inaugural Class of 2023 received their Teacher Licenses and Offer Orders at a ceremony at CM House today. These graduates, along with other licensed teachers, are redefining the profession and elevating it to the stature of technical fields such as medicine and engineering.



Our Director Academics speaks at Pivot, a Teach for Pakistan Conference

Teaching, like medicine, is a science - demanding a structured, research-driven, and disciplined approach. At Zindagi Trust and Durbeen, we continue to advocate for teaching as a specialized profession that requires rigorous preparation, continuous learning, and strong pedagogical expertise.

At Teach For Pakistan's The Pivot conference, our Director Academics, Zohra Nasir, reinforced this vision, emphasizing emotional intelligence in classrooms, the need for a robust teacher licensing system, and the importance of merit-based recruitment. She highlighted that no education system can thrive without well-trained, respected educators.

We challenge the outdated belief that teaching is an innate ability. Instead, we stand by the conviction that teaching is a science - one that shapes minds, strengthens societies, and defines the future of our nation.



AMAN partners with Zindagi Trust to Champion Immunization for All

In honor of World Immunization Week, AMAN and Zindagi Trust joined hands to spark dialogue, spread awareness, and build trust around vaccines.

From busting harmful myths to building trust and understanding, this event brought students, teachers, and health experts together to champion equity in immunization.



HPV Vaccination Campaign Launched in Sindh

AMAN, in collaboration with the Expanded Programme on Immunization, Gavi, the Vaccine Alliance, World Health Organization and UNICEF, officially launched the HPV Vaccination Campaign at Khatoon-e-Pakistan Government Girls School, Karachi, a school run by Zindagi Trust.

The launch was attended by Azra Fazal Pechuho, Syed Sardar Ali Shah, Hasan Naqvi, Thabani Maphosa, Xia Wei, Prem Bahadur Chand, Shehzad Roy, Rehan Iqbal Baloch and Zahid Abbasi.

A key milestone of the event was the administration of the first HPV vaccine dose, marking a significant step towards preventing cervical cancer and improving the health of girls across Sindh, Pakistan.



From Classrooms to Canvases: Art in the National Curriculum

Recognizing the profound impact of art in holistic education, Zindagi Trust introduced arts in its adopted government schools in 2015.

Under the direction of Anam Shakil Khan, we developed a comprehensive art program that significantly enhanced our educational model. Building on its success, we supported the consultative process to integrate art into Pakistan's National Curriculum (2022-2023), now benefiting students nationwide.

Explore the complete curriculum on our website today:

https://www.zindagitrust.org/arts_curriculum



Promoting Safe Digital Practices: Zindagi Trust and TikTok Workshops Across Pakistan

From 2023 to 2025, Zindagi Trust's Digital Safety Workshops have reached 46 schools across Pakistan, spanning both urban and remote regions including Karachi, Gilgit-Baltistan, Rawalpindi, Lahore, Swat, and Shangla. Over this period, more than 7,314 students, teachers, and parents have participated, reflecting sustained growth and wide accessibility. The workshops have successfully balanced engagement between students and educators/parents, strengthening school communities while promoting digital literacy and safe online practices for young learners and their families.



SMB Fatima Jinnah & KPS Students Exhibit Artwork at Defence Police Station

Zindagi Trust students from SMB Fatima Jinnah and Khatoon-e-Pakistan Government Schools recently brought their creativity to life by displaying their artwork at the Defence Police Station, transforming the space into a vibrant, small-scale community gallery. This initiative went beyond merely showcasing art—it served as a meaningful bridge between young students and local authorities, fostering positive interactions and mutual understanding. By bringing their work into a public, institutional space, the students helped break down traditional barriers, spark constructive dialogue, and cultivate a sense of shared responsibility and pride in communal spaces. The exhibition not only highlighted the artistic talents of these young learners but also reinforced the idea that public spaces belong to everyone and can serve as platforms for collaboration, expression, and community building.





Achievements at Zindagi Trust

Zindagi Trust Teachers Earn Top Honors in Provincial Teaching Competition

On Teachers' Day 2024, the Sindh Education Department organized a Best Teaching Practices Competition, receiving over 500 classroom video submissions from schools across the province. We are proud to share that teachers from Zindagi Trust-adopted schools delivered exceptional performances: three of our teachers (graduates of Durbeen) ranked in the top 5 and top 10, earning shields, while two more received Appreciation Certificates for placing in the top 30.

These achievements highlight the impact of Zindagi Trust's long-term investment in teacher training, classroom practice, and instructional excellence.



Zindagi Trust Students Honored by the State Bank of Pakistan

We extend our sincere gratitude to State Bank Governor Mr. Jameel Ahmed and his team for graciously hosting and honouring Zindagi Trust students at the State Bank of Pakistan on Independence Day. Their support provided our students with a distinguished platform to present their art and music in a national institution of great significance.

The students' performance of "We Are the World, We Are the Children" showcased not only their creativity and confidence but also the values of unity and hope that drive our work in public education.

We deeply appreciate this recognition, which strengthens our shared commitment to nurturing empowered, expressive, and future-ready young citizens of Pakistan.



SMB Fatima Jinnah Excels at the 8th Students Olympic Games 2024 – Chess Championship

Students from SMB Fatima Jinnah Government Girls Secondary School delivered an outstanding performance at the 8th Students Olympic Games 2024, securing top honours in the Chess Championship. In the U-15 category, Miraab Afzal, Dua Masood, and Yumna Siddiqui achieved an exceptional clean sweep by winning the first, second, and third positions respectively.

We are also proud to celebrate our alumna Jamaiba, who earned a commendable placement in the U-18 category, further reflecting the school's strong foundation in critical thinking, strategy, and co-curricular excellence.



Rabia Qasim & Ilyas Represent Pakistan at the University of Nebraska

SMB Fatima Jinnah GGSS is proud to announce that Ms. Rabia Qasim and Sir Ilyas have been selected for the prestigious Teaching Excellence and Achievement Program at the University of Nebraska, Omaha. This six-week academic and cultural exchange in the USA will allow them to be mentored by native experts and visit local schools, enriching their teaching practices.

Sir Ilyas, recently promoted to the higher secondary level, will soon join NJV Higher Secondary School, eager to share the valuable insights and experiences gained at Zindagi Trust with his new colleagues.



Khatoon e Pakistan Students Dominate the Chessboard

The rapid chess tournament saw fierce competition from schools including B.V.S., Happy Home, Spring Field, Vonhayat, St. Michael, and Khatoon-e-Pakistan. Students from Khatoon-e-Pakistan showcased outstanding skill and determination, winning several matches against participants from other schools and securing top positions in both the Under-12 and Under-16 categories. In the Under-12 category, Amna Shah (Class 7A) claimed 1st position, followed by Rimsha Khan (Class 6B) in 2nd and Arfa (Class 7A) in 3rd. In the Under-16 category, Hania Shahid (Class 10C) secured 1st position, with Areeba Fayaz (Class 10C) taking 2nd and Tayaba (Class 9C) earning 3rd place.



Khatoon e Pakistan Shines at the STEAM Muqabla District Round

Students from Khatoon-e-Pakistan School demonstrated exceptional skill, creativity, and academic strength at the STEAM Muqabla District Round. Their remarkable performance reflects not only their dedication and hard work but also the school's commitment to fostering high-quality STEAM education.

These achievements stand as a testament to the students' growing confidence in problem-solving, innovation, and collaborative learning. We are immensely proud of their success and the strong foundation they are building for future opportunities in STEAM fields.



Canadian Police Cricket Club & UMF Visit Khatoon e Pakistan School

We were honored to host the Canadian Police Cricket Club and United Muslim Fund at Khatoon-e-Pakistan Government School!

With 110 backpacks filled with school supplies, generously donated by UMF, our students received more than just tools for learning—they felt the power of community and kindness.

A huge thank you to our guests for spending time with the children and sharing smiles and encouragement. Together, we're building brighter futures, one step at a time.



SMB Fatima Jinnah Lifts the Shan-e-Pakistan Futsal Trophy

SMB Fatima Jinnah's senior futsal team dominated the Shan-e-Pakistan Inter-School Championship 2025, securing the championship trophy with a stellar 5-1 victory against Generations School!

Huge applause to Coach Fatima Kiran for her incredible guidance and to both our junior & senior teams!



SMB Fatima Jinnah Govt. Girls School Secures 2nd Place in STEAM Regional Round

SMB Fatima Jinnah Government Girls School achieved an impressive 2nd place in the STEAM Regional Round, marking a proud milestone for our students, teachers, and the entire school community.

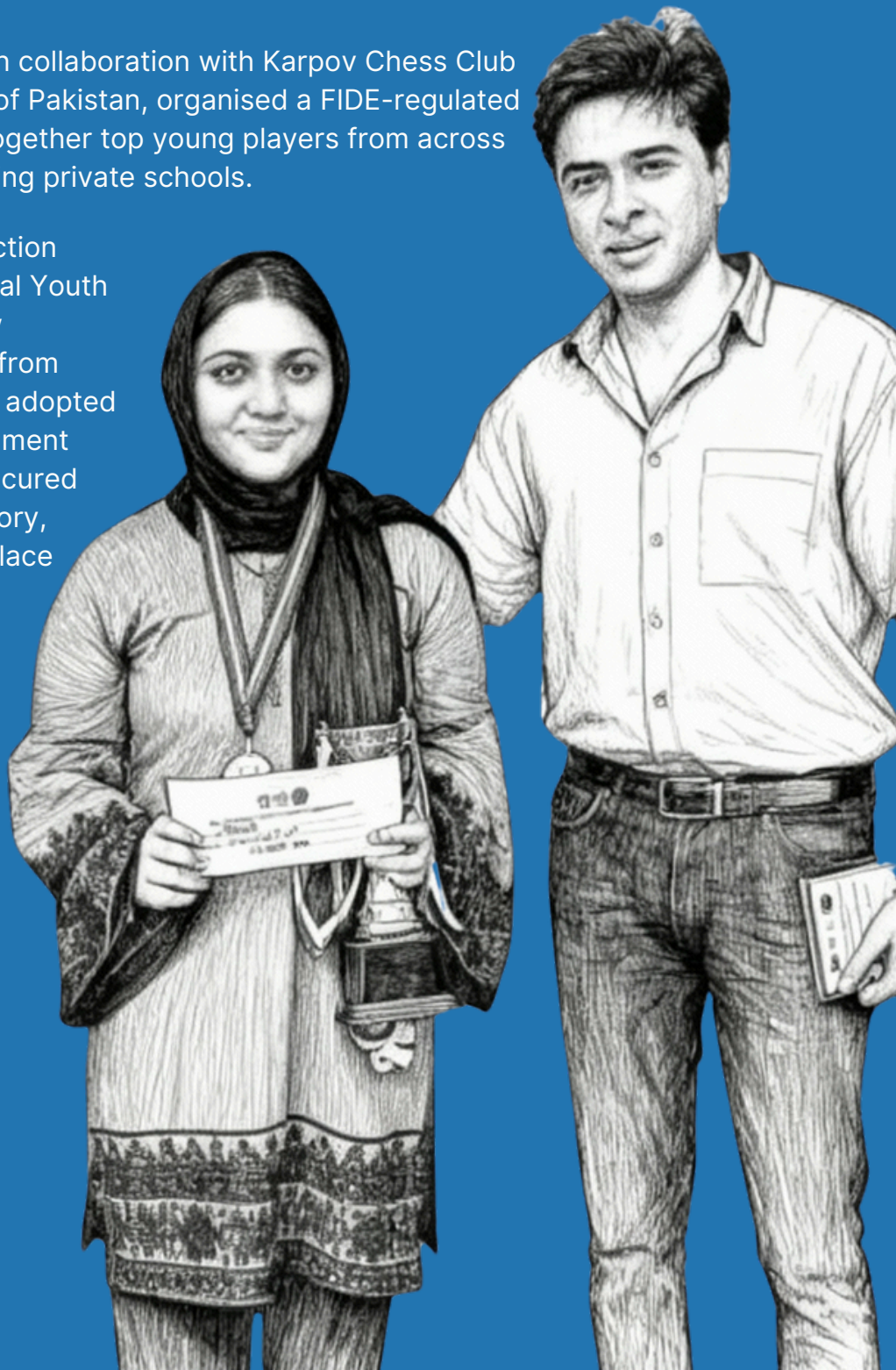
This accomplishment underscores the school's strong academic foundation, innovative learning environment, and commitment to nurturing problem-solving and critical-thinking skills. We celebrate the hard work of our students and educators, and remain dedicated to advancing quality education. Onward and upward.



SMB Fatima Jinnah GGSS Dominates National Youth Chess Categories

Karachi Grammar School, in collaboration with Karpov Chess Club and the Chess Federation of Pakistan, organised a FIDE-regulated tournament that brought together top young players from across the country, including leading private schools.

Serving as the official selection event for Pakistan's National Youth Team, the competition saw exceptional performances from students of Zindagi Trust's adopted SMB Fatima Jinnah Government School. Mehak Maqbool secured 1st place in the U-18 category, Yamna Siddiqui took 2nd place in U-14, and Alina Siddiqui earned 3rd place in U-12. These accomplishments underscore the impact of quality chess education in government schools.



Sindh CM Plays Chess with National Champion Mehak Maqbool at CM House

In a historic and inspiring event, Sindh Chief Minister Syed Murad Ali Shah played a chess match against Pakistan's Under-18 National Chess Champion, Mehak Maqbool. Mehak, who recently won the title at the National Youth Chess Championship organized by the Chess Federation of Pakistan, checkmated the Chief Minister after a few moves, despite his aggressive play.

The Chief Minister announced a prize of Rs 100,000 for each of the winners, which included Mehak Maqbool (1st place in the U-18 category), Yamna Siddiqui (2nd place in the U-14 category), and Alina Siddiqui (3rd place in the U-12 category). All three winners are students of SMB, a Sindh government school adopted by Zindagi Trust.



کیا وزیر اعلیٰ مہک مقبول کا مقابلہ کر پائیں گے؟

سانچوز

Global Musicians Inspire SMB Students Through Music Workshop

Internationally renowned artists Dominika, a gifted pianist from Hungary, and Daryl, a celebrated cellist from Canada, recently engaged our SMB students in a vibrant and inspiring music workshop. The session provided students with hands-on experience and exposure to advanced musical techniques, fostering both creativity and confidence.

Accompanied by Umesh Kumar, Deputy Project Director of the World Culture Festival Karachi at the Arts Council of Pakistan, the artists expressed their admiration for the level of passion and talent displayed in a public school setting. Their visit, organized at the invitation of the Arts Council, offered students a rare opportunity to learn from world-class musicians, broadening their horizons and reinforcing the importance of arts education.



Creativity in Motion: SMB Student Wins at Toyota Dream Car Art Contest

The Toyota Dream Car Art Contest took place with the enthusiastic participation of 142 students from Grades 3 to 8 at SMB.

The contest's goal was to inspire young students to envision and express their ideas about future mobility through art. It provided an opportunity for them to think creatively about the cars they would like to see in the future.

A total of 20 schools from Karachi participated, submitting 800 drawings . We congratulate one of our students, Aroosh Tahir, who achieved third place in Category 2.



From Karachi to Japan: Aroosh Tahir's Dream Car Wins National Glory

Aroosh Tahir, a student of SMB Fatima Jinnah Govt. Girls School, has made us all proud by securing 2nd place at the national level in the Toyota Pakistan Dream Car Competition! Her artwork will now represent Pakistan internationally in Japan.

Aroosh's achievement is a powerful reminder of how access to quality education and encouragement in the arts can unlock hidden talents and give children from all backgrounds the chance to dream beyond limits. Here's to nurturing more bright minds like Aroosh who can showcase Pakistan's creativity to the world.



SMB Fatima Jinnah Recognized with Public Opinion Award at STEAM Muqabalo

Big win for the future!

After securing 1st position at the Provincial STEAM Muqabalo, the project "Pakistan in 2100" by SMB Fatima Jinnah Government Girls School has now clinched the Public Opinion Award across Sindh.

Proud of our students for dreaming big and inspiring many.



SMB Fatima Jinnah GGSS Students Shine at Sindh Pink Football Championship 2024

Sports & Youth Affairs Department, Government of Sindh, organised the Sindh Pink Football Championship from 6–8 December at Lyari International Football Stadium, inaugurated by Bilawal Bhutto Zardari. Sixteen women's teams from across Sindh participated.

Two SMB Fatima Jinnah students, Harmain Shoukat and Dua Yashal, along with alumna Maham Shahid, played for Diya Women Football Club, which secured third place.

Fifteen-year-old Harmain dazzled organisers, trainers and spectators with her speed, agility and footwork, earning the Emerging Player award - a moment of immense pride for our school.



SMB Fatima Jinnah's Staffroom Renovated with Support from JS Group and Future Trust

At SMB Fatima Jinnah Govt. Girls School, we proudly inaugurated a newly renovated staffroom, a space designed to honor the dignity, care, and comfort of our teachers, who remain at the heart of education.

This milestone has been made possible through the generous support of JS Group and Future Trust, whose commitment to education continues to create lasting impact.

On this special occasion, we were honored to host Mr. Jahangir Siddiqui, Chairman and Founder of JS Group, alongside Mr. Shehzad Roy, President & Founder of Zindagi Trust. Their inspiring words reminded us why investing in teachers is investing in the future of Pakistan.



Top Honors for Zindagi Trust Schools at Habib Girls Chess Championship

Zindagi Trust students delivered an outstanding performance at the Habib Girls Sports Gala Chess Championship, securing all top positions in both the Under-12 and Under-16 categories. Competing against strong contenders from leading institutions such as Alpha School, Shahwilayat Public, Habib Girls, Nixor, and Metropolitan Academy, our students demonstrated exceptional focus, strategy, and determination. In the Under-12 category, Aleena Siddique of SMB clinched 1st place, followed by Amna Shah and Ramsha Khan of KPS securing 2nd and 3rd positions respectively. In the Under-16 category, Yamna Siddique of SMB secured 1st place, Areeba Fayaz, a KPS alumna, earned 2nd place, and Moazama Afzal of SMB achieved 3rd place. This remarkable sweep highlights the strength of chess education across Zindagi Trust-adopted and supported schools.



SMB Shines at the 8th Olympic Games Chess Championship

The 8th Olympic Games Chess Championship was held at KMC Sports Complex, with 120 competitors from renowned schools like St. Paul's, BVS, Happy Home, Vonhayat, Beaconhouse, St. Patrick's, and NJV.

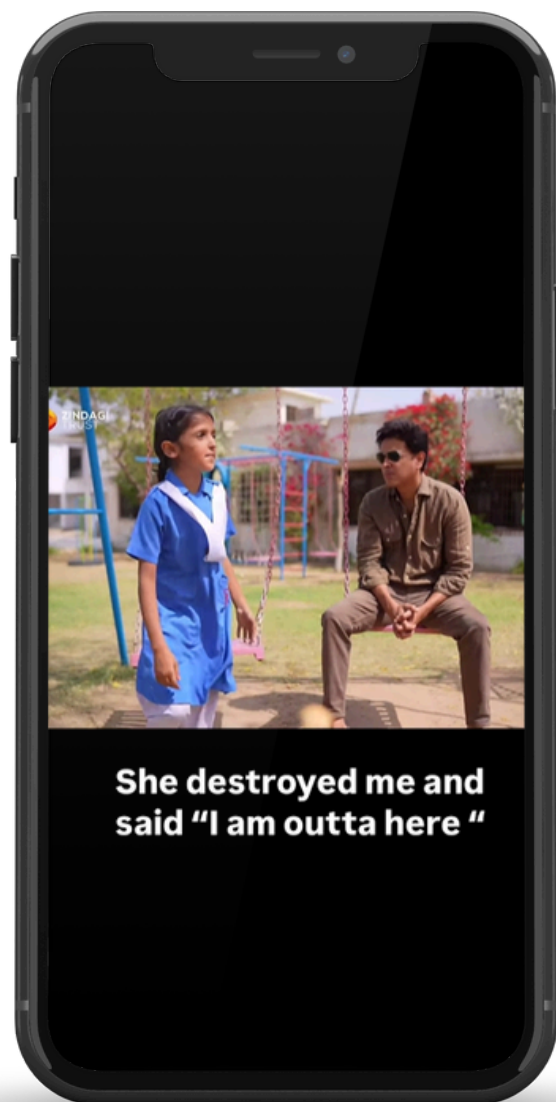
SMB participated in the Under-12 and Under-15 categories. In the Under-15 Girls, Meerab Afzal (Grade 10) secured 1st place, Dua Masood (Grade took 2nd, and Yumna (Grade earned 3rd. Certificates and medals were awarded in today's assembly.



Viral Success of Social Media Content



What if we told you you've been saying $2 \times 2 = 4$ wrong your whole life? Watch as young Umaiza, a student of [@zindagitrust](#) government school, shocks you!

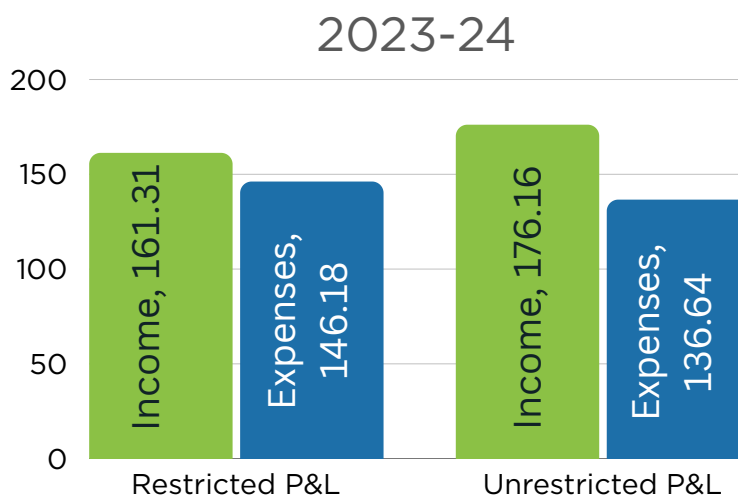
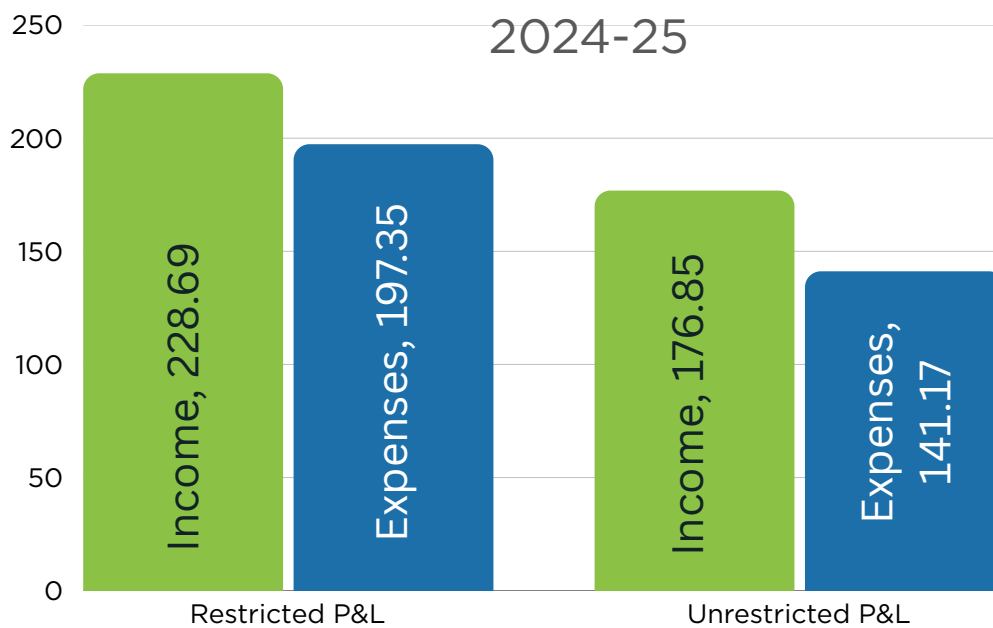


Breaking News! What is NEWS?! See why we need to be cautious of fake news.

FINANCIAL HIGHLIGHTS 2024-2025

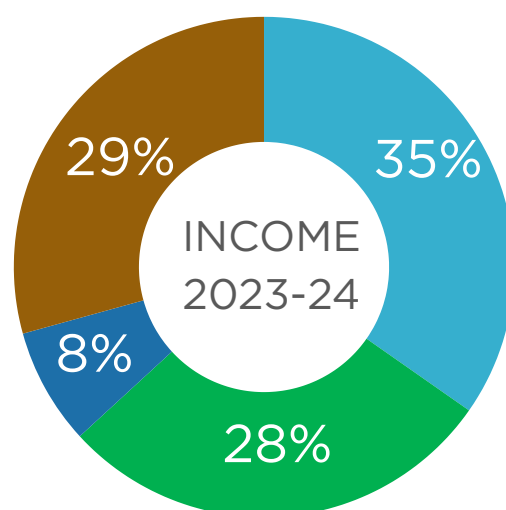
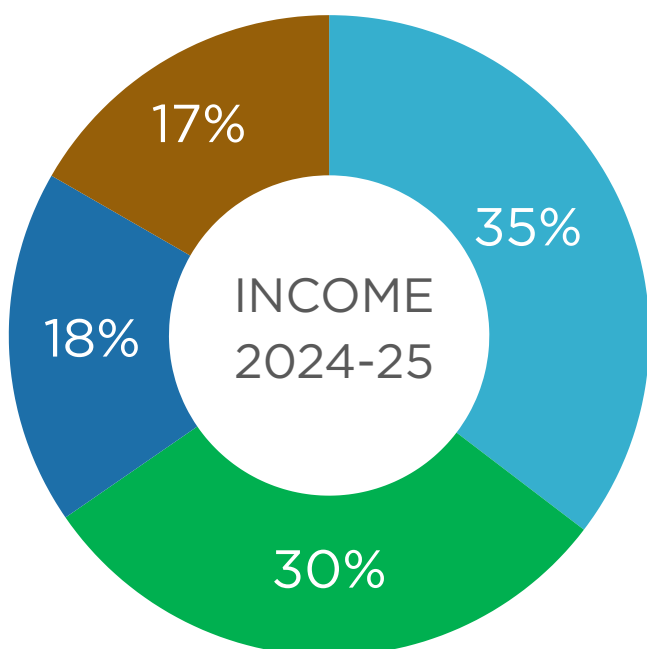


P&L Highlights



In PKR Millions

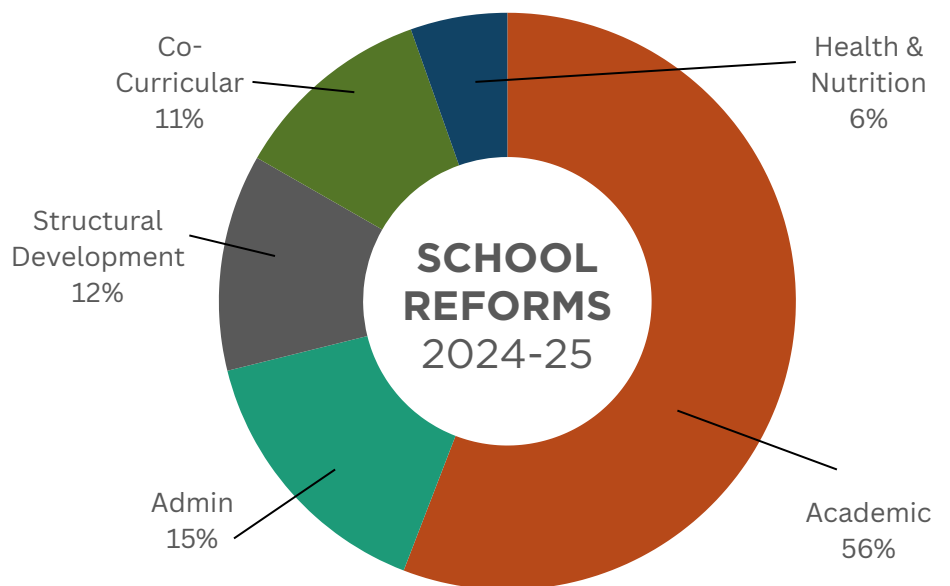
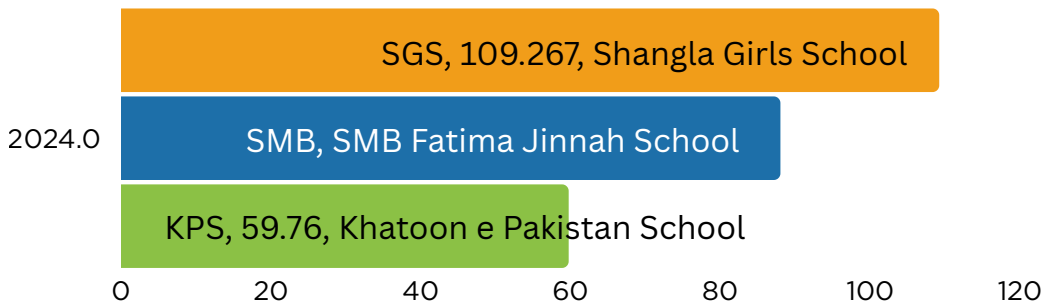
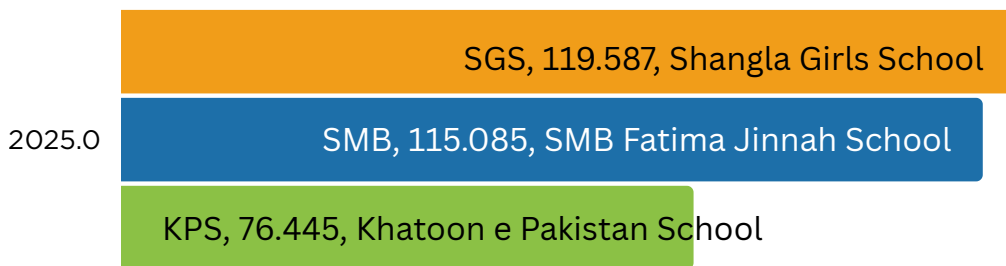
Income Highlights



	DONATIONS (RESTRICTED)	DONATIONS (UNRESTRICTED)	ZAKAT	OTHER INCOME
2024-25	143.43 M	121.73 M	72.70 M	67.68 M
2023-24	117.16 M	96.04 M	25.42 M	98.86 M

In PKR Millions

Expenses Highlights



In PKR Millions

FINANCIAL STATEMENTS 2024-2025



ZINDAGI TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

A·F·FERGUSON&CO.
Chartered Accountants
a member firm of the PwC network



INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ZINDAGI TRUST**Opinion**

We have audited the annexed financial statements of **Zindagi Trust (the Trust)**, which comprise the statement of financial position as at June 30, 2025, and the statement of income and expenditure, the statement of comprehensive income, the statement of changes in accumulated funds and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the annexed financial statements present fairly, in all material respects, the financial position of the Trust as at June 30, 2025, and its financial performance and its cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as applicable in Pakistan. 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 Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Trustees for the Financial Statements

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

In preparing the financial statements, Management of the Trust 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.

Trustees are responsible for overseeing the Trust's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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.

Affel

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
State Life Building No. 1-C, I.I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007/32427938/32424740; <www.pwc.com/pk>



As part of an audit in accordance with ISAs as applicable in Pakistan, 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 Trust'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 Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust 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 Trustees 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.

The engagement partner on the audit resulting in this independent auditor's report is **Junaid Mesia**.

A. F. Ferguson & Co.
Chartered Accountants
Karachi

Dated: November 29, 2025
UDIN: AR202510611yHVtaqS9f

ZINDAGI TRUST
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025

	Note	2025 ----- (Rupees) -----	2024 -----
ASSETS			
Non-current assets			
Property and equipment	5	15,994,463	12,030,030
Intangible assets	6	1	1
Investment property	7	7,500,000	7,500,000
		<u>23,494,464</u>	<u>19,530,031</u>
Current assets			
Investments	8	189,400,075	196,611,566
Security deposits	9	8,000	653,000
Loans, advances, prepayments and other receivables	10	4,756,088	788,004
Taxation receivable		3,541,251	3,534,523
Cash and bank balances	11	312,546,510	217,080,371
		<u>510,251,924</u>	<u>418,667,464</u>
Total assets		<u><u>533,746,388</u></u>	<u><u>438,197,495</u></u>
FUNDS			
Unrestricted fund	12	115,943,496	80,256,930
Restricted fund	13	353,232,678	324,413,248
		<u>469,176,174</u>	<u>404,670,178</u>
LIABILITIES			
Non-current liabilities			
Staff retirement benefits	14	12,874,275	6,634,158
Current liabilities			
Deferred contribution	15	22,468,849	5,000,621
Retention money	16	13,652,059	9,837,284
Accrued expenses and other liabilities	17	15,575,031	12,055,254
		<u>51,695,939</u>	<u>26,893,159</u>
Total funds and liabilities		<u><u>533,746,388</u></u>	<u><u>438,197,495</u></u>
CONTINGENCIES AND COMMITMENTS			
	18		

The annexed notes 1 to 34 form an integral part of these financial statements.

MPL

Hazim S. Haq

TRUSTEE

Shahid K

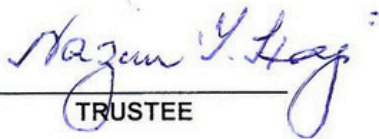
CHAIRMAN

ZINDAGI TRUST
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2025

	2025				2024				
	Unrestricted funds	Endowment Fund - note 4.3	Restricted funds - note 4.2	Total	Unrestricted funds	Endowment Fund - note 4.3	Restricted Funds - note 4.2	Total	
Note ----- (Rupees) ----- (Rupees) -----									
Income									
Donations	19	121,729,463	-	143,430,000	265,159,463	96,040,476	5,000,000	112,155,705	213,196,181
Deferred contributions utilised	15	5,548,262	-	-	5,548,262	17,423,863	-	-	17,423,863
Zakat receipts	22	-	-	72,697,641	72,697,641	-	-	25,422,020	25,422,020
Investment income	20	27,343,888	-	1,531,371	28,875,259	37,821,328	-	8,516,278	46,337,606
Rental income	21	3,842,593	-	-	3,842,593	3,476,385	-	-	3,476,385
Profit on bank deposits		18,258,129	-	11,027,576	29,285,705	21,292,461	-	9,919,578	31,212,039
Others		132,577	-	-	132,577	109,297	-	296,200	405,497
Total income		176,854,912	-	228,686,588	405,541,500	176,163,810	5,000,000	156,309,781	337,473,591
Expenditure									
Head office expenditure	23	24,172,335	-	-	24,172,335	20,198,701	-	-	20,198,701
Digital learning safety campaign		-	-	3,223,201	3,223,201	-	-	5,539,238	5,539,238
Direct educational expenditure	24	116,996,011	-	194,123,021	311,119,032	116,437,450	-	140,639,939	257,077,389
Total expenditure		141,168,346	-	197,346,222	338,514,568	136,636,151	-	146,179,177	282,815,328
Surplus for the year before taxation		35,686,566	-	31,340,366	67,026,932	39,527,659	5,000,000	10,130,604	54,658,263
Taxation	25	-	-	-	-	-	-	-	-
Surplus for the year		35,686,566	-	31,340,366	67,026,932	39,527,659	5,000,000	10,130,604	54,658,263

The annexed notes 1 to 34 form an integral part of these financial statements.

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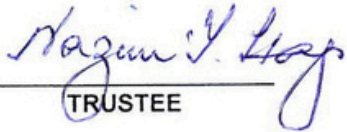

CHAIRMAN

ZINDAGI TRUST
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2025

	2025				2024			
	Unrestricted funds	Endowment Fund	Restricted funds	Total	Unrestricted funds	Endowment Fund	Restricted funds	Total
	(Rupees)				(Rupees)			
Surplus for the year	35,686,566	-	31,340,366	67,026,932	39,527,659	5,000,000	10,130,604	54,658,263
Other comprehensive income for the year	-	-	(2,520,936)	(2,520,936)	-	-	-	-
Total comprehensive income for the year	<u>35,686,566</u>	<u>-</u>	<u>28,819,430</u>	<u>64,505,996</u>	<u>39,527,659</u>	<u>5,000,000</u>	<u>10,130,604</u>	<u>54,658,263</u>

The annexed notes 1 to 34 form an integral part of these financial statements.

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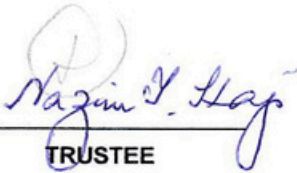

CHAIRMAN

ZINDAGI TRUST
STATEMENT OF CHANGES IN ACCUMULATED FUNDS
FOR THE YEAR ENDED JUNE 30, 2025

	Unrestricted Fund	Restricted funds						Total of restricted funds	Total
		Zakat	Digital Safety Fund	Malala Fund	Bank Alfalah Fund	Future Trust Fund	Endowment Fund		
Note (Rupees)									
Balance as at July 1, 2023	40,729,271	66,060,041	12,424,391	82,363,856	-	-	148,434,356	309,282,644	350,011,915
Total comprehensive income for the year									
Surplus for the year	4.2 39,527,659	9,054,805	(5,539,238)	(6,911,532)	13,526,569	-	5,000,000	15,130,604	54,658,263
Other comprehensive income	-	-	-	-	-	-	-	-	-
	39,527,659	9,054,805	(5,539,238)	(6,911,532)	13,526,569	-	5,000,000	15,130,604	54,658,263
Balance as at June 30, 2024	80,256,930	75,114,846	6,885,153	75,452,324	13,526,569	-	153,434,356	324,413,248	404,670,178
Total comprehensive income for the year									
Surplus for the year	4.2 35,686,566	10,708,030	(3,223,201)	22,697,857	(2,842,320)	4,000,000	-	31,340,366	67,026,932
Other comprehensive income	-	-	-	(2,520,936)	-	-	-	(2,520,936)	(2,520,936)
	35,686,566	10,708,030	(3,223,201)	20,176,921	(2,842,320)	4,000,000	-	28,819,430	64,505,996
Transfer (from) / to fund	13.2 -	-	-	(65,254,148)	-	-	65,254,148	-	-
Balance as at June 30, 2025	115,943,496	85,822,876	3,661,952	30,375,097	10,684,249	4,000,000	218,688,504	353,232,678	469,176,174

The annexed notes 1 to 34 form an integral part of these financial statements.

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ZINDAGI TRUST
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
		Rupees	
CASH FLOWS FROM OPERATING ACTIVITIES			
Surplus for the year		67,026,932	54,658,263
Adjustment for:			
Depreciation - property and equipment	5.2	4,918,848	4,208,506
Depreciation - investment property	7.1	-	12,405
Loss on disposal of property and equipment		217,500	14,724
Charge for defined benefit obligation	24.3	3,719,181	6,902,491
Rental income	21	(3,842,593)	(3,476,385)
Investment income	20	(28,875,259)	(46,337,606)
Profit on bank deposits		(28,396,891)	(30,638,292)
		<u>(52,259,214)</u>	<u>(69,314,157)</u>
Surplus before working capital changes		14,767,718	(14,655,894)
WORKING CAPITAL CHANGES			
(Increase) / decrease in current assets			
Security deposits		645,000	-
Loans, advances, prepayments and other receivables		(3,968,084)	250,881
		<u>(3,323,084)</u>	<u>250,881</u>
Increase / (decrease) in current liabilities			
Deferred contributions		17,468,228	(2,280,895)
Retention money		3,814,775	2,819,992
Accrued expenses and other liabilities		3,691,119	4,298,011
		<u>24,974,122</u>	<u>4,837,108</u>
Taxes paid / withheld		(6,728)	(11,471)
Benefits paid to unfunded gratuity scheme	14.1.5	-	(268,333)
Net cash generated from / (used in) operating activities		36,412,028	(9,847,709)
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property and equipment	5	(9,349,755)	(7,124,320)
Rent received from investment property		3,671,251	4,662,913
Proceeds from disposal of property and equipment		248,974	241,793
Investment income received		28,875,258	47,256,784
Profit on bank deposits received		27,980,453	31,057,758
(Purchase) of investments - net		(42,788,508)	(146,195,128)
Net cash generated from / (used in) investing activities		8,637,673	(70,100,200)
Net increase / (decrease) in cash and cash equivalents during the year		45,049,701	(79,947,909)
Cash and cash equivalents at the beginning of the year		267,496,809	347,444,718
Cash and cash equivalents at the end of the year	11.2	<u>312,546,510</u>	<u>267,496,809</u>

The annexed notes 1 to 34 form an integral part of these financial statements.

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ZINDAGI TRUST
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

1 LEGAL STATUS AND OPERATIONS

1.1 Zindagi Trust ('the Trust') is a charitable trust formed under the repealed Trust Act, 1882 via Trust Deed dated April 12, 2002 with an objective to provide educational, medical and other social assistance to all persons, in general, and to children in particular, regardless of religion, race, color, caste, or sect, on humanitarian grounds with an aim to help and assist persons who have no source of income to avail medical and other social assistance, and to acquire, establish, maintain, and manage medical dispensaries, clinics, hospitals and health care centres, nurseries, rehabilitation centres, training centres, playgrounds, schools and institutions. The registered office of the Trust is situated at Khatoon-e-Pakistan School, Stadium Road, Karachi.

The Trust has been evaluated by the Pakistan Centre for Philanthropy (PCP) and has been certified as meeting their standards in the areas of Internal Governance, Financial Management and Programme Delivery vide certificate No. PCP-R3/2023/270 effective from September 19, 2023 and valid up to September 19, 2026.

On September 22, 2020, the Trust Act, 1882 was repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Trust was required to be registered under the Sindh Trust Act. Accordingly, on February 24, 2023 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

1.2 The financial statements of Zindagi Trust USA Inc. and Zindagi Trust UK have not been consolidated in these financial statements as they are separate entities incorporated in their respective countries and not controlled by Zindagi Trust Pakistan.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the approved accounting and reporting standards as applicable in Pakistan. The approved accounting and reporting standards as applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Accounting Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Accounting Standard for Not for Profit Organisations (NPOs) issued by the Institute of Chartered Accountants of Pakistan (ICAP).

Wherever, the requirements of the IFRS Accounting Standards differs with the requirements of the Accounting Standard for NPOs, the requirements of the IFRS Accounting Standards shall prevail.

2.2 Accounting convention

These financial statements have been prepared under the historical cost convention, unless otherwise stated.

2.3 Standards, interpretations and amendments to published accounting and reporting standards that are effective in the current year:

There are certain amendments to the published accounting and reporting standards that are mandatory for the Trust's annual accounting period beginning on July 1, 2024. However, these do not have any material impact on the Trust's financial statements and, therefore, have not been detailed in these financial statements.

2.4 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective:

2.4.1 There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Trust for its annual periods beginning on or after July 1, 2025. However, these are not considered to be relevant or will not have any material effect on the Trust's financial statements except for:

Standards and amendments	Effective date (accounting period beginning on or after)
- IFRS 9 - 'Financial Instruments' (amendments)	January 1, 2026
- IFRS 18 - 'Presentation and Disclosure in Financial Statements'	January 1, 2027

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Subsequent costs are included in the assets' carrying amounts or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Intangible assets are amortised at the rates specified in note 6 using the straight line method. Amortisation is charged from the date when the asset is available for use while on disposals amortisation is charged upto the date preceding the date of disposal. The useful life and amortisation method is reviewed and adjusted, if appropriate, at each reporting date.

Gains or losses on disposal of assets, if any, are included in the statement of income and expenditure in the year in which they arise.

3.3 Investment property

Investment property is stated at cost less accumulated depreciation and accumulated impairment, if any.

Depreciation is charged to the statement of income and expenditure applying the straight line method at the rate specified in note 7.1 to the financial statements. Depreciation on additions is charged from the date when the asset becomes available for use while on disposals depreciation is charged upto the date preceding the date of disposal.

Maintenance and normal repairs are charged to statement of income and expenditure as and when incurred while major repairs and renewals are capitalised. Any gains or losses on disposal of an investment property are recognised in income and expenditure in the year of disposal. The carrying values of investment properties are reviewed at each financial year end for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists, and where the carrying values exceed the estimated recoverable amount, the investment properties are written down to their recoverable amount.

3.4 Financial instruments

3.4.1 Financial assets

3.4.1.1 Initial recognition and measurement

Financial assets are recognised at the time the Trust becomes a party to the contractual provisions of the instrument. These are initially recognised at fair value plus transaction costs except for financial assets carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs associated with these financial assets are taken directly to the statement of income and expenditure.

3.4.1.2 Classification and subsequent measurement

The Trust has applied IFRS 9 and classifies its financial assets in the following measurement categories:

- at amortised cost;
- at fair value through other comprehensive income (FVTOCI); and
- at fair value through profit or loss (FVTPL).

The classification requirements for debt and equity instruments are described below:

(i) Debt instruments

Debt instruments are those instruments that meet the definition of a financial liability from the issuer's perspective, such as loans, government and corporate bonds, puttable instruments like units of open-ended mutual funds etc.

Classification and subsequent measurement of debt instruments depend on:

- the Trust's business model for managing the asset; and
- the cash flow characteristics of the asset.

Based on these factors, the Trust classifies its debt instruments in one of the following three measurement categories:

a) At amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and profit are measured at amortised cost. The carrying amount of these assets is adjusted by any expected credit loss allowance recognised and measured as described in note 3.4.1.3.

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b) Fair value through other comprehensive income (FVTOCI)

Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent solely payments of principal and profit are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment losses, recognised and measured as described in note 3.4.1.3, profit revenue and foreign exchange gains and losses on the instrument's amortised cost which are recognised in the statement of income and expenditure. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the statement of income and expenditure.

c) Fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for classification at amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instrument that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in the statement of income and expenditure in the year in which it arises.

(ii) Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective and are instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

All equity investments are required to be measured in the statement of financial position at fair value, with gains and losses recognised in the statement of income and expenditure, except where an irrevocable election has been made at the time of initial recognition to measure the investment at FVOCI.

The dividend income for equity securities classified under FVOCI is to be recognised in the statement of income and expenditure. However, any surplus / (deficit) arising as a result of subsequent movement in the fair value of equity securities classified as FVOCI is to be recognised in other comprehensive income and is not recycled to the statement of income and expenditure on derecognition.

3.4.1.3 Impairment

The Trust assesses on a forward-looking basis the expected credit losses (ECL) associated with its debt instrument assets carried at amortised cost and FVOCI. The Trust recognises a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions (including macroeconomic factors).

The Trust considers that a financial asset is in default when the counterparty fails to make contractual payments within 90 days of when they fall due. Further, financial assets are written off by the Trust, in whole or part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery.

For all other financial assets, the Trust recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. To assess whether there is a significant increase in credit risk, the trust compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information (qualitative and quantitative criteria's) for an assessment of SICR. The trust considers that there has been a significant increase in credit risk when the installments are overdue by more than 30 days.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the trust. The trust categorises a receivable for write-off when a debtor fails to make contractual payments more than 365 days past due. Where loans or receivables have been written off, the trust continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in statement of profit or loss.

3.4.1.4 Derecognition

Financial assets, or a portion thereof, are derecognised when the contractual rights to receive the cash flows from the assets have expired, or when they have been transferred and either:

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- (i) the Trust transfers substantially all the risks and rewards of ownership; or
- (ii) the Trust neither transfers nor retains substantially all the risks and rewards of ownership and the Trust has not retained control.

3.4.1.5 Regular way contracts

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date on which the Trust commits to purchase or sell the asset. Regular way purchases / sales of assets require delivery of securities within two days from the transaction date as per the stock exchange regulations.

3.4.2 Financial liabilities

Financial liabilities are classified and measured at amortised cost except for:

- Financial liabilities at fair value through profit or loss; and
- Financial liabilities arising from the transfer of financial assets which did not qualify for derecognition, whereby a financial liability is recognised for the consideration received for the transfer.

3.4.2.1 Derecognition

Financial liabilities are derecognised at the time when these are extinguished i.e. when the obligation specified in the contract is discharged, cancelled or expires. Any gain or loss on derecognition of financial liabilities is taken to the statement of income and expenditure.

3.4.3 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or realise the assets and settle the liabilities simultaneously.

3.4.4 Business model

The business model reflects how the Trust manages the assets in order to generate cash flows. That is, whether the objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of 'other' business model and measured at FVPL. Factors considered by the Trust in determining the business model for a group of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated.

3.4.5 Solely payment of principal and interest

Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Trust assesses whether the financial instruments' cash flows represent solely payments of principal and interest (the 'SPPI test'). In making this assessment, the Trust considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. profit includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through income and expenditure.

3.4.6 Reclassifications

The Trust reclassifies debt investments when and only when its business model for managing those assets changes. The reclassification takes place from the start of the first reporting period following the change. Such changes are expected to be very infrequent and none occurred during the year.

3.5 Impairment of non-financial assets

The Trust assesses at each reporting date whether there are any indicators that non-financial assets may be impaired. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amounts and the differences are recognised in the statement of income and expenditure.

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3.6 Accrued expenses and other liabilities

These amounts represent liabilities for goods and services provided to the Trust prior to the end of the reporting period which are unpaid. Accrued expenses and other liabilities are presented as current liabilities unless payment is not due within 12 months after the reporting period. These are recognised initially at their fair value of consideration to be paid in the future for goods and services, whether or not billed to the Trust.

3.7 Loans, advances, prepayments and other receivables

Loans, advances, prepayments and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method less expected credit loss allowance determined in accordance with the accounting policy as mentioned in the note 3.4.1.3. Loans, advances and other receivables considered irrecoverable are written off when identified.

3.8 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at amortised cost. For the purpose of statement of cash flows, cash and cash equivalents include cash in hand, balances with bank in savings and current accounts and other short-term highly liquid instruments having original maturity of three months or less.

3.9 Staff retirement benefits

The Trust has introduced an unapproved defined benefit plan for the employees of Shangla Girls School (SGS). Gratuity is based on employees' last drawn salary. The liability recognised in the statement of financial position in respect of defined benefit gratuity scheme, is the present value of the defined benefit obligation as at the reporting date.

Current service cost is the increase in the present value of the defined benefit obligation resulting from employee service in the current period. Past service cost is the change in the present value of defined benefit obligation resulting from a plan amendment or curtailment and is recognised as an expense in the statement of income and expenditure when the plan amendment or curtailment occurs. Actuarial gains and losses that arise out of experience adjustments and changes in actuarial assumptions are recognised in the other comprehensive income with no subsequent recycling through the statement of income and expenditure.

3.10 Revenue recognition

Revenue is recognised to the extent that it is probable that economic benefits will flow to the Trust and the revenue can be measured reliably. The Trust recognises revenue upon fulfilment of the above conditions on the following basis:

- Income from fund raising activities, rental income and other income are recognised on accrual basis.;
- Donations and zakat are recognised when the entitlement of the Trust is established, i.e. when the amount is received; and
- Interest income on deposit accounts and income on term deposit receipts and market treasury bills is recognised on an accrual basis using effective interest method.

3.11 Donations and grants

Grants are initially recognised as deferred income at fair value if there is reasonable assurance that they will be received and the Trust will comply with the conditions associated with the grants. These are subsequently recognised in the statement of income and expenditure on a systematic basis over the useful life of the assets.

Grants that compensate the Trust for expenses incurred are recognised in income and expenditure account on a systematic basis in the periods in which the expenses are recognised.

Donations received for utilisation of funds on specific investment avenues and specific expenses are considered restricted and accounted for based on restricted fund method.

3.12 Provisions, contingent assets and contingent liabilities

Provisions are recognised when the Trust has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. The amount recognised represents the best estimate of the expenditure required to settle the obligation at the reporting date. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate. Provisions are not recognised for future operating losses.

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Contingent assets are disclosed when there is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Trust. Contingent assets are not recognised until the inflow of economic benefits is virtually certain.

Contingent liability is disclosed when:

- there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Trust; or
- there is a present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

3.13 Taxation

The Trust is registered with the income tax authorities as a non-profit organisation under section 2(36)(c) of the Income Tax Ordinance, 2001 read with Rules 212 and 220 of the Income Tax Rules, 2002. The Trust does not account for taxation, as non-profit organisations are allowed a tax credit equal to one hundred percent (100%) of the tax payable including minimum tax and final tax payable, under section 100C of the Income Tax Ordinance, 2001, subject to fulfilment of certain conditions stipulated therein.

3.14 Unrestricted Fund

This is an unrestricted fund used to meet the general revenue and capital expenditure requirements of the Trust.

3.15 Restricted Fund

The Trust has created a restricted fund where the resources allocated cannot be spent and treated as revenue during the year due to any obligation placed by either the donor or the trustees.

Malala Fund

Grant received from Malala Fund (MF) is a restricted fund for Shangla Girls School, which is being managed by Zindagi Trust since August 24, 2018 as per the grant agreement between the Trust and Malala Fund. All grants received from MF can only be used for the operations and management of Shangla Girls School.

Zakat Fund

Zakat received by the Trust is categorised as a restricted fund as the Trust follows a Wakalah Model. Under this model, zakat is received on behalf of zakat eligible students and is only spent on direct educational expenses of those students. These expenses are adjusted from the zakat fund according to the instructions of the Shariah Advisor of the Trust.

Endowment Fund

This fund was created for the sustainability of operations of the Trust. The endowment contribution recognised represents contribution by the donors specifying the principal amount to be invested in avenues so it remains intact. The income earned on these funds is available for general purposes. A certain amount can be transferred from this fund to operations account, when required, after approval from the Board of Trustees.

Digital Safety Fund

This fund was created by the funding from Tiktok for the development and delivery of a comprehensive digital safety initiative. This initiative aims to equip students, teachers, and parents with digital safety kits to enhance their ability to navigate the internet securely. The funds are designated for developing these kits, conducting research, creating content for digital safety workshops, and facilitating these workshops across Pakistan and are restricted for the aforementioned purposes only.

Bank Alfalah Fund

The funding from Bank Alfalah Limited is categorised as a restricted fund as it has been provided specifically for the launching of the digital courses and providing the students with technical equipment, licensed softwares and skilled digital educators in SMB Fatima Jinnah Governments Girls School.

Future Trust

The funding from Future Trust is categorised as a restricted fund as it has been provided specifically for the construction of SMB Fatima Jinnah's staff teacher's room to extend its overall capacity.

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4 DETAILS OF THE STATEMENT OF FINANCIAL POSITION AND RESTRICTED FUNDS

4.1 Statement of financial position

	Note	2025			2024		
		Unrestricted Fund	Restricted Fund	Total	Unrestricted Fund	Restricted Fund	Total
		(Rupees)			(Rupees)		
ASSETS							
Non-current assets							
Property and equipments	5	9,233,563	6,760,900	15,994,463	6,013,313	6,016,717	12,030,030
Intangible assets	6	1	-	1	1	-	1
Investment property	7	-	7,500,000	7,500,000	-	7,500,000	7,500,000
		9,233,564	14,260,900	23,494,464	6,013,314	13,516,717	19,530,031
Current assets							
Investments	8	-	189,400,075	189,400,075	260,772	196,350,794	196,611,566
Security deposits	9	8,000	-	8,000	653,000	-	653,000
Loans, advances, prepayments and other receivables	10	2,565,882	2,190,206	4,756,088	788,004	-	788,004
Taxation receivable		3,541,251	-	3,541,251	3,534,523	-	3,534,523
Cash and bank balances	11	149,239,332	163,307,178	312,546,510	93,380,170	123,700,201	217,080,371
		155,354,465	354,897,459	510,251,924	98,616,469	320,050,995	418,667,464
Total assets		164,588,029	369,158,359	533,746,388	104,629,783	333,567,712	438,197,495
FUNDS							
Unrestricted Fund	12	115,943,496	-	115,943,496	80,256,930	-	80,256,930
Restricted Fund	13	-	353,232,678	353,232,678	-	324,413,248	324,413,248
		115,943,496	353,232,678	469,176,174	80,256,930	324,413,248	404,670,178
LIABILITIES							
Non-current liabilities							
Staff retirement benefits	14	-	12,874,275	12,874,275	-	6,634,158	6,634,158
Current liabilities							
Deferred contributions	15	22,468,849	-	22,468,849	5,000,621	-	5,000,621
Retention money	16	13,652,059	-	13,652,059	9,837,284	-	9,837,284
Accrued expenses and other liabilities	17	12,523,625	3,051,406	15,575,031	9,534,948	2,520,306	12,055,254
		48,644,533	3,051,406	51,695,939	24,372,853	2,520,306	26,893,159
Total funds and liabilities		164,588,029	369,158,359	533,746,388	104,629,783	333,567,712	438,197,495

4.2 Details of restricted funds

	Note	2025						2024						
		Restricted funds						Restricted funds						
		Zakat	Digital Safety Fund	Malala Fund	Bank Alfalah Fund	Future Trust	Endowment Fund	Total	Zakat	Digital Safety Fund	Malala Fund	Bank Alfalah Fund	Endowment Fund	Total
		(Rupees)						(Rupees)						
Income														
Donations	19	-	-	139,430,000	-	4,000,000	-	143,430,000	-	-	97,315,705	14,840,000	5,000,000	117,155,705
Zakat receipts	22	72,697,641	-	-	-	-	-	72,697,641	25,422,020	-	-	-	-	25,422,020
Investment income	20	1,531,371	-	-	-	-	-	1,531,371	8,516,278	-	-	-	-	8,516,278
Profit on bank deposits		7,232,331	-	2,855,627	939,618	-	-	11,027,576	3,850,359	-	4,742,615	1,326,604	-	9,919,578
Others		-	-	-	-	-	-	-	-	-	296,200	-	-	296,200
Total income		81,461,343	-	142,285,627	939,618	4,000,000	-	228,686,588	37,788,657	-	102,354,520	16,166,604	5,000,000	161,309,781
Digital learning safety campaign		-	3,223,201	-	-	-	-	3,223,201	-	5,539,238	-	-	-	5,539,238
Direct educational expenditure	24	70,753,313	-	119,587,770	3,781,938	-	-	194,123,021	28,733,852	-	109,266,052	2,640,035	-	140,639,939
Surplus / (deficit) for the year before taxation		10,708,030	(3,223,201)	22,697,857	(2,842,320)	4,000,000	-	31,340,366	9,054,805	(5,539,238)	(6,911,532)	13,526,569	5,000,000	15,130,604
Taxation	25	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus / (deficit) for the year		10,708,030	(3,223,201)	22,697,857	(2,842,320)	4,000,000	-	31,340,366	9,054,805	(5,539,238)	(6,911,532)	13,526,569	5,000,000	15,130,604

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4.3 Endowment Fund

An endowment contribution is a type of restricted contribution subject to externally imposed stipulations specifying that the resources contributed be maintained permanently, although the constituent assets may change from time to time. The endowment contribution recognised during the year represents contribution by a donor specifying the principal amount to remain intact. The income earned on these funds is available for general purposes. The income earned on these funds during the year amounting to Rs. 27.343 million (June 30, 2024: Rs.37.821 million) has been recognised in unrestricted fund.

5 PROPERTY AND EQUIPMENT

	2025		
	Furniture and fixtures	Office equipment	Total
	(Rupees)		
As at July 1, 2024			
Cost	8,474,281	23,338,529	31,812,810
Accumulated depreciation	(6,686,037)	(13,096,743)	(19,782,780)
Net book value	1,788,244	10,241,786	12,030,030
For the year ended June 30, 2025			
Opening net book value	1,788,244	10,241,786	12,030,030
Additions	1,675,895	7,673,860	9,349,755
Disposals			
Cost	-	(1,822,860)	(1,822,860)
Accumulated depreciation	-	1,356,386	1,356,386
	-	(466,474)	(466,474)
Depreciation charge for the year	(1,374,714)	(3,544,134)	(4,918,848)
Closing net book value	2,089,425	13,905,038	15,994,463
As at June 30, 2025			
Cost	10,150,176	29,189,529	39,339,705
Accumulated depreciation	(8,060,751)	(15,284,491)	(23,345,242)
Net book value	2,089,425	13,905,038	15,994,463
Depreciation rate (% per annum)	20%	20%	
	2024		
	Furniture and fixtures	Office equipment	Total
	(Rupees)		
As at July 1, 2023			
Cost	7,515,261	17,588,529	25,103,790
Accumulated depreciation	(5,686,462)	(10,046,595)	(15,733,057)
Net book value	1,828,799	7,541,934	9,370,733
For the year ended June 30, 2024			
Opening net book value	1,828,799	7,541,934	9,370,733
Additions	959,020	6,165,300	7,124,320
Write-off			
Cost	-	(71,500)	(71,500)
Accumulated depreciation	-	24,878	24,878
		(46,622)	(46,622)
Disposals			
Cost	-	(343,800)	(343,800)
Accumulated depreciation	-	133,905	133,905
		(209,895)	(209,895)
Depreciation charge for the year	(999,575)	(3,208,931)	(4,208,506)
Closing net book value	1,788,244	10,241,786	12,030,030
As at June 30, 2024			
Cost	8,474,281	23,338,529	31,812,810
Accumulated depreciation	(6,686,037)	(13,096,743)	(19,782,780)
Net book value	1,788,244	10,241,786	12,030,030
Depreciation rate (% per annum)	20%	20%	

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5.1 The operating fixed assets includes items costing Rs. 13.886 million (2024: Rs. 9.769 million) which are fully depreciated as of June 30, 2025 but are still in active use of the Trust.

	Note	2025	2024
----- (Rupees) -----			
5.2 Depreciation charge for the year has been allocated as follows:			
Head office expenditure	23	847,611	875,380
Direct educational expenditure - SMB Fatima Jinnah Government Girls School	24.1	1,943,941	1,615,462
Direct educational expenditure - Khatoon-e-Pakistan School	24.2	1,473,262	981,975
Direct educational expenditure - Shangla Girls School	24.3	654,034	735,689
		<u>4,918,848</u>	<u>4,208,506</u>

6 INTANGIBLE ASSETS

	2025	2024
----- (Rupees) -----		
Computer Software	Computer Software	
As at July 01, 2024		
Cost	80,000	80,000
Accumulated amortisation	(79,999)	(79,999)
Net book value	<u>1</u>	<u>1</u>
For the year ended June 30, 2025		
Opening net book value	1	1
Additions	-	-
Amortisation charge for the year	-	-
Closing net book value	<u>1</u>	<u>1</u>
As at June 30, 2025		
Cost	80,000	80,000
Accumulated amortisation	(79,999)	(79,999)
Net book value	<u>1</u>	<u>1</u>
Amortisation rate (% per annum)	<u>33%</u>	<u>33%</u>

	Note	2025	2024
----- (Rupees) -----			
7 INVESTMENT PROPERTY			
Investment property at cost	7.1	<u>7,500,000</u>	<u>7,500,000</u>

7.1 Investment property

	Note	2025		
----- (Rupees) -----				
		Land *	Building **	Total
As at July 01, 2024				
Cost		7,500,000	3,687,875	11,187,875
Accumulated depreciation		-	(3,687,875)	(3,687,875)
Net book value		<u>7,500,000</u>	<u>-</u>	<u>7,500,000</u>
For the year ended June 30, 2025				
Opening net book value		7,500,000	-	7,500,000
Additions		-	-	-
Depreciation charge for the year	23	-	-	-
Closing net book value		<u>7,500,000</u>	<u>-</u>	<u>7,500,000</u>
As at June 30, 2025				
Cost		7,500,000	3,687,875	-
Accumulated depreciation		-	(3,687,875)	-
Net book value		<u>7,500,000</u>	<u>-</u>	<u>7,500,000</u>
Depreciation rate (% per annum)		<u>0%</u>	<u>5%</u>	

APPL

	Note	2024		
		Land *	Building **	Total
(Rupees)				
As at July 01, 2023				
Cost		7,500,000	3,687,875	11,187,875
Accumulated depreciation		-	(3,675,470)	(3,675,470)
Net book value		<u>7,500,000</u>	<u>12,405</u>	<u>7,512,405</u>
For the year ended June 30, 2024				
Opening net book value		7,500,000	12,405	7,512,405
Additions		-	-	-
Depreciation charge for the year	23	-	(12,405)	(12,405)
Closing net book value		<u>7,500,000</u>	<u>-</u>	<u>7,500,000</u>
As at June 30, 2024				
Cost		7,500,000	3,687,875	11,187,875
Accumulated depreciation		-	(3,687,875)	(3,687,875)
Net book value		<u>7,500,000</u>	<u>-</u>	<u>7,500,000</u>
Depreciation rate (% per annum)		<u>0%</u>	<u>5%</u>	

* This represents Plot no.26, Sector 5, Sub Sector B, DHA City, Karachi measuring 500 square yards. The fair value of the investment property is Rs. 9 million as at June 30, 2025 (2024: Rs. 8.50 million). The land has been acquired in the name of two Trustees. Based on the legal opinion obtained by the Trust, there is no impediment to the property in the name of Trustees.

** This represents Office No. 201, Second Floor, "Anum Empire" building measuring 2,425.25 square feet, constructed on Plot No. ZCC-1, Block No. 7/8, K.C.H.S., Union Limited, Karachi. Currently, the property has been rented out to Highnoon Laboratories. The fair value of the investment property is Rs. 44 million as at June 30, 2025 (2024: Rs. 42.50 million).

8	INVESTMENTS	Note	2025	2024
(Rupees)				
At amortised cost				
	Term deposit receipts	8.1	-	50,416,438
	Government securities - Market Treasury Bills	8.2 and 8.3	<u>189,400,075</u>	<u>146,195,128</u>
			<u>189,400,075</u>	<u>196,611,566</u>

8.1 Term deposit receipts

Name of the Bank	Issue date	Coupon rate %	Tenure	Face value				Amortised cost as at June 30, 2025
				As at July 1, 2024	Placed during the year	Matured during the year	As at June 30, 2025	
BankIslami Pakistan Limited	14-Jun-24	19.00%	3 Months	50,000,000	-	(50,000,000)	-	
Faysal Bank Limited	3-Oct-24	14.80%	1 Month	-	150,000,000	(150,000,000)	-	
Total as at June 30, 2025							-	
Total as at June 30, 2024							<u>50,000,000</u>	

8.2 Government securities - Market Treasury Bills

Issue date	Tenure	Yield	Maturity date	As at July 1, 2024	Purchased during the year	Matured during the year	As at June 30, 2025	Amortised cost as at June 30, 2025	Carrying value as at June 30, 2025
				(Rupees)				(Rupees)	
December 28, 2023	12 months	21.34%	26-Dec-24	160,000,000	-	(160,000,000)	-	-	-
December 26, 2024	12 months	12.19%	26-Dec-25	-	200,000,000	-	200,000,000	189,400,075	189,400,075
Total as at June 30, 2025								<u>189,400,075</u>	<u>189,400,075</u>
Total as at June 30, 2024								<u>146,195,128</u>	<u>146,195,128</u>

8.2.1 The market value of these securities classified as "at amortized cost" as at June 30, 2025 amounted to Rs. 189.91 million (June 30, 2024: 145.76 million)

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	Note	2025	2024
		----- (Rupees) -----	
9 SECURITY DEPOSITS			
Deposit against rent agreement of head office building	9.1	-	645,000
Others		8,000	8,000
		<u>8,000</u>	<u>653,000</u>
9.1 During the year, the trust has relocated its head office from Block 7/8, House # 8A, 3rd Street, Block B, Al-Hamra Society, Near Amir Khusro Road, Karachi to Khatoon-e-Pakistan School Stadium Road, Karachi (Government Property) after obtaining approval from the Government of Sindh School Education & Literacy Department. The Trust is not paying any rent to the government for the use of the aforementioned premises.			
10 LOANS, ADVANCES, PREPAYMENTS AND OTHER RECEIVABLES	Note	2025	2024
		----- (Rupees) -----	
Advance to vendors		2,972,883	-
Loans and advances to employees	10.1 & 10.2	1,730,782	677,447
Prepaid expenses		-	70,059
Other receivables		52,423	40,498
		<u>4,756,088</u>	<u>788,004</u>
10.1 Reconciliation of carrying amount of loans and advances to employees is as follows:			
Opening balance		677,447	497,165
Disbursement during the year		4,676,264	1,910,754
Repayments during the year		(3,622,929)	(1,730,472)
Closing balance		<u>1,730,782</u>	<u>677,447</u>
10.2 This includes interest free loans provided to executives and other employees for the purpose of marriage expenses, medical treatment etc. which are repayable within 12 months in equal instalments.			
11 CASH AND BANK BALANCES	Note	2025	2024
		----- (Rupees) -----	
Balances with banks in:			
Current account		17,696,038	1,988,013
Deposit accounts	11.1	294,797,135	215,026,954
		312,493,173	217,014,967
Cash in hand		53,337	65,404
		<u>312,546,510</u>	<u>217,080,371</u>
11.1 These accounts carry mark-up at rates ranging from 7.20% to 10.50% (2024: 7.50% to 20.50%) per annum. It includes profit receivable on saving accounts amounting to Rs. 1.43 million (June 30, 2024: 0.573 million).			
11.2 Cash and cash equivalents for the purpose of statement of cash flows:	Note	2025	2024
		----- (Rupees) -----	
Cash and bank balances	11	312,546,510	217,080,371
Term deposit receipts	8.1	-	50,416,438
		<u>312,546,510</u>	<u>267,496,809</u>
12 UNRESTRICTED FUND			
Opening balance		80,256,930	40,729,271
Surplus for the year		35,686,566	39,527,659
		<u>115,943,496</u>	<u>80,256,930</u>

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	Note	2025	2024
----- (Rupees) -----			
13 RESTRICTED FUNDS			
Opening balance		324,413,248	309,282,644
Surplus for the year	4.2	28,819,430	15,130,604
	13.1	<u>353,232,678</u>	<u>324,413,248</u>

13.1 This includes Rs. 10.684 million (2024: 13.527 million) relating to Bank Alfalah Fund, Rs. 85.822 million (2024: Rs. 75.114 million) relating to Zakat, Rs. 3.661 million (2024: Rs. 6.885 million) relating to Digital Safety Fund, Rs. 4 million (2024: Rs. Nil) relating to Future Trust Fund and Rs. 30.377 million (2024: Rs. 75.452 million) relating to Malala Fund. Zakat fund shall be utilized under the guidelines of Shariah Advisor appointed by the Trust.

13.2 During the year, an amount of Rs. 65.254 million has been transferred from Malala Fund to Endowment Fund with the approval of Board of Trustees dated June 30, 2025.

14 STAFF RETIREMENT BENEFITS

14.1 Defined benefit plan - staff gratuity scheme

14.1.1 Salient features

The Trust has approved the policy of an unfunded staff gratuity scheme for the employees of Shangla Girls School with effect from July 1, 2023. Provisions / contributions are made annually on the basis of actuarial valuation carried out every year. Actuarial gains / losses are recognised in other comprehensive income in the period of occurrence. Under the service rules, eligible employees are entitled to gratuity after completing three years of service and the amount of gratuity is paid on the basis of last withdrawn basic salary and the number of years in service.

14.1.2 The gratuity scheme exposes the Trust to the following risks:

Mortality risks

This is the risk that the actual mortality experience is different. The effect depends on the beneficiaries' service / age distribution and the benefit.

Final salary risks

The risk that the final salary at the time of cessation of service is greater than what was assumed. Since the benefit is calculated on the final salary, the benefit amount would also increase proportionately.

Withdrawal risks

This is the risk of higher or lower withdrawal experience than assumed. The final effect could go either way depending on the beneficiaries' service / age distribution and the benefit.

Discount rate fluctuation

The plan liabilities are calculated using a discount rate set with reference to corporate bond yields. A decrease in corporate bond yields will increase plan liabilities.

14.1.3 Valuation results

Actuarial valuation of the gratuity scheme is required to be carried out every year and the latest valuation was carried out as at June 30, 2025. The information provided in notes 14.1.4 to 14.1.10 has been obtained from the actuarial valuation carried out as at June 30, 2025. The following significant assumptions have been used for valuation of this scheme:

Actuarial assumptions	2025	2024
Financial assumptions		
- Discount rate (per annum compound)	11.75%	15.00%
- Expected rate of increase in salaries (per annum compound)	12.00%	12.00%
Demographic assumptions		
- Mortality rates (for death in service)	SLIC (2001-05)	SLIC (2001-05)
- Rates of employee turnover	15%	15%

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	2025	2024
	----- (Rupees) -----	
14.1.4 Amount recognised in the statement of financial position		
Present value of defined benefit obligation	<u>12,874,275</u>	<u>6,634,158</u>
14.1.5 Movement in present value of defined benefit obligation		
Present value of defined benefit obligation at the beginning of the year	6,634,158	-
Current service cost	2,724,057	6,902,491
Interest cost	995,124	-
Benefits paid	-	(268,333)
Re-measurements: actuarial (gain) / loss on obligation	2,520,936	-
Present value of defined benefit obligation at the end of the year	<u>12,874,275</u>	<u>6,634,158</u>
14.1.6 Amounts recognised in the statement of income and expenditure		
Current service cost	<u>2,724,057</u>	<u>6,902,491</u>

14.1.7 Sensitivity analysis

The impact of 1% change in the following variables on defined benefit obligation is as follows:

	Impact on defined benefit obligation		
	Change in assumption	Increase in obligation	Decrease in obligation
	----- (Rupees) -----		
Discount rate	1%	2,685,067	1,566,362
Salary increase rate	1%	(1,505,673)	(2,747,673)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant assumptions, same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the gratuity liability.

14.1.8 Maturity profile of the defined benefit obligation

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6 and above
	----- Rupees -----					
Undiscounted payments	<u>1,409,257</u>	<u>1,504,231</u>	<u>1,641,399</u>	<u>1,702,902</u>	<u>1,727,895</u>	<u>27,440,068</u>

14.1.9 The weighted average duration of defined benefit obligation is 5.50 years.

14.1.10 Based on the actuarial advice, the Trust intends to charge an amount of Rs. 3.719 million in the financial statements for the year ending June 30, 2026.

	2025	2024
	----- (Rupees) -----	
15 DEFERRED CONTRIBUTION		
At the beginning of the year	5,000,621	7,281,516
Add: Funds received during the year	23,016,490	15,142,968
Less: Funds utilised during the year	(5,548,262)	(17,423,863)
At the end of the year	<u>22,468,849</u>	<u>5,000,621</u>

15.1 A project agreement was established between the International Development and Relief Foundation (IDRF) and the Trust to improve student nutrition and access to clean water, elevate teaching quality, and promote students' physical and mental health and well-being at SMB Fatima Jinnah Government Girls School and Khatoon-e-Pakistan Government Girls School. Under this agreement, IDRF Canada disburses funds upon receiving reports on project progress, following a detailed Payment and Reporting Schedule. The agreement with IDRF will conclude on January 09, 2026.

Appl

Following payments were received during the year ended June 30, 2025:

Prerequisite	Date of receipt	Amount (CAN \$)	Conversion rate	Conversion (Rupees)
Submission and acceptance of completion report 2024	31-Aug-24	16,000	193.89	3,102,199
Signature of project agreement 2025	22-Jan-25	28,500	185.43	5,284,650
Submission and acceptance of first interim project report 2025	8-May-25	28,500	196.14	5,589,976
Signature of amended project agreement 2025	29-May-25	45,500	198.67	9,039,665
				<u>23,016,490</u>

16 RETENTION MONEY

This represents retention money and profit thereon for staff of SMB Fatima Jinnah School and Khatoon-e-Pakistan School amounting to Rs. 8.870 million (2024: Rs.6.470 million) and Rs. 4.781 million (2024: Rs. 3.367 million) respectively.

This amount is deducted at 10% of gross salaries for ten months so as to retain one gross salary of every employee of SMB Fatima Jinnah School and KPS School. The said amount is deposited in the bank and earns profit thereon. The gross amount and the profit earned is refunded to employee in his / her retirement / resignation. If the employee leaves without prior information to the management then the said amount is withheld by the Trust and is recorded in other income.

The reconciliation of the said amount is given below:

	SMB Fatima Jinnah Government Girls School		Khatoon-e-Pakistan School		Total	
	2025	2024	2025	2024	2025	2024
	(Rupees)					
Opening balance	6,470,435	4,403,460	3,366,850	2,613,833	9,837,284	7,017,293
Deductions made during the year	1,924,927	1,493,188	1,617,738	1,098,282	3,542,665	2,591,469
Profit earned on deductions made	975,764	1,121,355	501,461	570,428	1,477,225	1,691,783
Amount refunded during the year	(501,053)	(509,255)	(704,062)	(889,985)	(1,205,115)	(1,399,240)
Amount withheld during the year	-	(38,313)	-	(25,708)	-	(64,021)
Closing balance	<u>8,870,073</u>	<u>6,470,435</u>	<u>4,781,987</u>	<u>3,366,850</u>	<u>13,652,059</u>	<u>9,837,284</u>

17 ACCRUED EXPENSES AND OTHER LIABILITIES

	2025	2024
	(Rupees)	
Accrued expenses	2,623,047	2,255,500
Security deposit against investment property	750,000	750,000
Unearned rental income	1,015,186	1,186,528
Payable to vendors	10,693,360	7,863,226
Others	493,438	-
	<u>15,575,031</u>	<u>12,055,254</u>

18 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2025 and June 30, 2024.

	Note	2025	2024
		(Rupees)	
19 DONATIONS			
Unrestricted donation		125,729,463	96,040,476
Restricted donation		139,430,000	112,155,705
Endowment Fund		-	5,000,000
	19.1	<u>265,159,463</u>	<u>213,196,181</u>
19.1 Donations from:			
Overseas donors	19.2	181,013,051	147,423,335
Local donors	19.3	84,146,412	65,772,846
		<u>265,159,463</u>	<u>213,196,181</u>

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19.2 Overseas donors	Note	2025	2024
		(Rupees)	
Grant From Malala Fund for School		139,430,000	97,315,705
Donation From Malala Fund		3,638,240	-
Zindagi Trust USA Inc.		23,488,325	30,070,711
GlobalGiving		9,363,761	10,128,977
Meta Corporation		4,053,630	5,784,523
The Happiness Project		-	2,861,584
Others	19.2.1	1,039,095	1,261,835
		<u>181,013,051</u>	<u>147,423,335</u>

19.2.1 This represents donations received from individual and other corporate donors, not exceeding Rs. 1 million individually.

19.3 Local donors	Note	2025	2024
		(Rupees)	
Lucky Cement Limited		26,000,000	22,000,000
Bank Alfalah Limited		-	14,840,000
HBL Foundation		20,000,000	10,000,000
Ismail Industries Limited		10,000,000	-
Kentucky Fried Chicken		4,640,000	4,640,000
Future Trust		4,000,000	-
Bestway Foundation		3,500,000	3,500,000
Mr. Najmul Hasan		1,000,000	1,500,000
Haji Mohammed Benevolent Trust		1,500,000	-
Richa Leathers		1,000,000	-
Mr. Shehzad Roy		-	1,500,000
Mr. Mahmood Abbas		-	1,000,000
Others	19.3.1	12,506,412	6,792,846
		<u>84,146,412</u>	<u>65,772,846</u>

19.3.1 This represents donations received from individual and other corporate donors, not exceeding Rs. 1 million individually.

20 INVESTMENT INCOME

	2025		
	Unrestricted	Restricted	Total
	(Rupees)		
Term deposit receipts	2,403,141	1,531,371	3,934,512
Government securities - Market Treasury Bills	24,940,747	-	24,940,747
	<u>27,343,888</u>	<u>1,531,371</u>	<u>28,875,259</u>

	2024		
	Unrestricted	Restricted	Total
	(Rupees)		
Term deposit receipts	10,388,356	8,516,278	18,904,634
Government securities - Market Treasury Bills	27,432,972	-	27,432,972
	<u>37,821,328</u>	<u>8,516,278</u>	<u>46,337,606</u>

21 RENTAL INCOME	Note	2025	2024
		(Rupees)	
Income from investment property	21.1	3,230,076	2,912,562
Income from SMB canteen		393,000	367,368
Income from KPS canteen		219,517	196,455
		<u>3,842,593</u>	<u>3,476,385</u>

21.1 Investment property has been rented out to Highnoon Laboratories at a monthly rent of Rs. 263,684 till April 16, 2025 and Rs. 290,052 from April 16, 2025 onwards.

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22	ZAKAT RECEIPTS	Note	2025	2024
		----- (Rupees) -----		
	Zakat received from:			
	Overseas	22.1	40,035,751	2,680,875
	Local		<u>32,661,890</u>	<u>22,741,145</u>
			72,697,641	25,422,020
	Investment income on zakat	20	1,531,371	8,516,278
	Profit earned from bank deposits on zakat		<u>7,232,331</u>	<u>3,850,359</u>
			<u>8,763,702</u>	<u>37,788,657</u>
22.1	Zakat received during the year from Zindagi Trust USA Inc. amounted to Rs.39,469,784 (2024: Nil).			
22.2	ZAKAT AVAILABLE FOR UTILIZATION	Note	2025	2024
		----- (Rupees) -----		
	Opening balance of zakat		75,114,847	66,060,041
	Zakat received during the year	22	72,697,641	25,422,020
	Investment income on zakat	22	1,531,371	8,516,278
	Profit earned from bank deposits on zakat		<u>7,232,331</u>	<u>3,850,359</u>
	Total Zakat receipts during the year		81,461,343	37,788,658
	Zakat utilized during the year			
	Zakat utilized on providing goods and services to the beneficiaries		70,753,313	28,432,852
	Zakat utilized for general and administrative and general expenses of entity		-	301,000
	Zakat utilized for other - Computers purchased		709,600	-
			71,462,913	28,733,852
	Closing balance of the zakat		<u>85,113,277</u>	<u>75,114,847</u>
	Closing balance of the zakat is represented by:			
	Cash and bank balances related to zakat balances		85,113,277	75,114,847
	Zakat-in-kind		-	-
	Less: Zakat related accrued expenditures		-	-
			<u>85,113,277</u>	<u>75,114,847</u>
23	HEAD OFFICE EXPENDITURE			
	Salaries and wages		9,809,602	9,973,220
	Marketing and web development expense		2,132,510	1,002,492
	Legal and professional charges		50,000	1,283,553
	Depreciation - property and equipment	5.2	847,611	875,380
	Depreciation - investment property	7.1	-	12,405
	Utilities		931,947	1,138,116
	Advocacy expense		1,220,343	110,536
	Communication		475,373	343,601
	Rent and taxes	9.1	2,000,004	3,070,000
	Entertainment expenses		361,968	220,638
	Printing and stationery		140,612	99,125
	Repairs and maintenance		3,143,552	426,300
	Bank charges		255,881	218,163
	Auditors' remuneration	24.4	272,114	181,927
	Insurance		145,008	148,540
	Stores and materials		826,298	93,668
	Travelling and conveyance		86,737	1,711
	Others		592,500	598,297
	Plantation expenses		-	4,110
	Compensation and benefits		716,492	347,816
	ERP software subscription fee		163,783	49,103
	Total		<u>24,172,335</u>	<u>20,198,701</u>

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24	DIRECT EDUCATIONAL EXPENDITURE	Note	2025 ----- (Rupees) -----	2024 ----- (Rupees) -----
	Unrestricted fund			
	SMB Fatima Jinnah Government Girls School (SMB)	24.1	68,928,660	67,342,697
	Khatoon-e-Pakistan School (KPS)	24.2	48,067,351	49,094,753
	Shangla Girls School (SGS)	24.3	-	-
			<u>116,996,011</u>	<u>116,437,450</u>
	Restricted fund			
	SMB Fatima Jinnah Government Girls School (SMB)	24.1	46,157,094	20,702,731
	Khatoon-e-Pakistan School (KPS)	24.2	28,378,157	10,671,154
	Shangla Girls School (SGS)	24.3	119,587,770	109,266,054
			<u>194,123,021</u>	<u>140,639,939</u>
			<u>311,119,032</u>	<u>257,077,389</u>
24.1	SMB Fatima Jinnah Government Girls School (SMB)			
	Salaries and wages		18,814,832	28,352,764
	Teaching staff expense		29,265,113	20,517,483
	Academic course expenses		3,004,194	2,712,211
	Music related expense		478,065	232,119
	Repairs and maintenance		1,029,715	1,610,694
	Marketing and web development expense		2,132,511	1,260,030
	Depreciation - property and equipment	5.2	1,275,099	1,298,708
	Breakfast expenses		1,053,369	2,760,441
	Stores and materials		2,186,725	500,320
	Insurance		1,107,335	907,743
	Festivals and other related expenses		236,504	621,817
	Printing and stationery		900,116	1,547,718
	Sports related expenses		805,394	310,109
	Janitorial expenses		350,867	455,985
	Auditors' remuneration	24.4	653,767	622,343
	Art activities expenses		579,532	295,382
	Travelling and conveyance		400,284	128,525
	Communication		104,367	97,475
	Teachers' training expenses		541,684	491,761
	Plantation expenses		84,500	6,650
	General expenses		67,972	203,366
	Compensation and benefits		950,780	1,540,526
	Loss on disposal of assets		217,500	-
	Others		2,688,435	868,527
	Unrestricted fund		<u>68,928,660</u>	<u>67,342,697</u>
	Salaries - Zakat		36,580,548	16,041,492
	Zakat paid to other NGO		1,931,991	-
	Academic Books - Zakat		3,004,194	-
	Teaching staff expense		1,240,568	700,342
	Depreciation	5.2	668,842	316,754
	Repairs and maintenance		188,650	1,701,197
	Other - Zakat		2,542,301	1,942,946
	Restricted fund		<u>46,157,094</u>	<u>20,702,731</u>
	Total		<u>115,085,754</u>	<u>88,045,428</u>

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	Note	2025	2024
		(Rupees)	
24.2 Khatoon-e-Pakistan School (KPS)			
Salaries and wages		13,304,874	21,220,431
Teaching staff expense		21,448,174	13,583,602
Repairs and maintenance		1,171,575	1,721,511
Academic course expenses		1,232,734	976,088
Marketing and web development expense		2,132,511	1,260,030
Depreciation	5.2	1,294,885	759,235
Breakfast expenses		645,662	2,103,277
Art activities expenses		179,540	72,030
Insurance		632,763	519,889
Printing and stationery		307,014	745,165
Sports related expenses		287,075	133,211
Festivals and other related expenses		330,168	191,103
Auditors' remuneration	24.4	443,782	422,451
Janitorial expenses		355,999	214,034
Communication		123,934	92,420
Teachers' training expenses		294,060	221,518
Plantation expenses		70,240	164,220
Music related expense		636,645	2,248,804
Security charges		-	193,920
Stores and materials		532,212	-
Travelling and conveyance		54,077	175,573
General expenses		316,352	295,304
Compensation and benefits		404,490	855,054
Others		1,868,585	925,883
Unrestricted fund		48,067,351	49,094,753
Salaries paid - Zakat		22,191,583	9,673,050
Repairs and maintenance		1,195,000	-
Zakat paid to other NGO		1,931,991	-
Academic Books - Zakat		1,232,734	-
Depreciation	5.2	178,377	222,740
Stores and materials		132,000	-
Teaching staff expense		178,500	-
Other expenses - Zakat		1,337,972	775,364
Restricted fund		28,378,157	10,671,154
Total		76,445,508	59,765,907

24.3 Shangla Girls School (SGS)

Zindagi Trust (ZT) and Malala Fund (MF) have entered into an agreement effective August 2018. As part of the agreement, ZT has taken charge of the management of Shangla Girls School (SGS), located at Barkana, Shahpur, Shangla, KP, Pakistan. As per the agreement, MF is responsible to acquire and discharge funds for SGS to ZT, as ZT is the sole manager of the project. The school land has been transferred in the name of ZT only for the purpose of conducting operations and the Trust does not hold rights or obligations over the land, and is obliged to transfer the land in the name of any party on the mutual discretion of the Fund and the Trust. (The financial agreement between both the parties was of three years initially. The agreement was extended on March 29, 2023 for 18 months. Both organisations are confident in the continuation of the partnership.)

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	Note	2025 ----- (Rupees) -----	2024 -----
Salaries and wages		66,447,347	58,820,149
Students aid expense		19,691,813	15,127,626
Security guards expense		10,388,617	9,427,120
Breakfast expenses		2,254,906	2,555,895
Additional academic and curricular program		573,985	170,750
Healthcare expenses		107,001	153,766
Health and medical insurance		2,924,398	2,448,842
Compensation and benefits		1,981,656	3,381,023
Gratuity expense	14.1.5	3,719,181	6,902,491
Travelling expense		1,632,768	1,327,637
Child protection expenses		509,902	911,250
Electricity and utilities expense		737,770	459,563
Auditors' remuneration	24.4	811,337	771,279
Depreciation	5.2	654,034	735,689
General and cleaning expense		716,393	1,073,858
Repairs and maintenance		586,838	396,817
School stationery expense		818,868	1,502,458
Legal and professional charges		180,000	180,000
Communication expense		273,173	328,243
Co-curricular expenses		391,464	1,003,615
College Expense		935,160	-
Others		3,251,159	1,587,983
		<u>119,587,770</u>	<u>109,266,054</u>
24.4 Auditors' remuneration			
Annual audit fee		2,000,000	1,750,000
Out of pocket expenses		100,000	100,000
		<u>2,100,000</u>	<u>1,850,000</u>
Sindh Sales Tax on services of auditors' of current year		168,000	148,000
		<u>2,268,000</u>	<u>1,998,000</u>

25 TAXATION

The Trust has been approved as a non-profit organization under Section 2(36)(c) of the Income Tax Ordinance, 2001 (the Ordinance). The Trust is allowed tax credit equal to 100% of the tax payable including minimum tax and final taxes, under section 100C of the Ordinance. The management intends to avail a tax credit equal to 100% of the tax payable. Accordingly, no tax charge has been recorded in these financial statements.

As per section 100C of the Income Tax Ordinance, 2001, non profit organisations, trusts or welfare organisations as mentioned in sub-section 2 of section 100C shall be allowed a tax credit equal to the one hundred percent of the tax payable, including minimum and final tax payable under any of the provisions of the Income Tax Ordinance, 2001, subject to the following conditions, namely:

- return has been filed;
- tax required to be deducted or collected has been deducted or collected and paid;
- withholding tax statements for the immediately preceding tax year have been filed;
- the administrative and management expenditure does not exceed 15% of the total receipts;
- approval of Commissioner has been obtained as per requirement of clause (36) of section 2;
- none of the assets of trusts or welfare institutions confers, or may confer, a private benefit to the donors or family, children or author of the trust or his descendants or the maker of the institution or to any other person and where such private benefit is conferred, the amount of such benefit shall be added to the income of the donor; and
- a statement of voluntary contributions and donations received in the immediately preceding tax year has been filed in the prescribed form and manner.

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"Provided that clause (d) shall not apply to a non-profit organisation, if;

- (a) charitable and welfare activities of the non-profit organisation have commenced for the first time within last three years; and
- (b) total receipts of the non-profit organisation during the tax year are less than one hundred million rupees.

The Trust has not commenced operations for the first time within last three years and total receipts of the Trust are more than one hundred million Rupees. Therefore clause (d) will be applicable in this case. The Trust complies with the provisions of clause (a) to (g) and is therefore entitled for a tax credit equal to one hundred percent of the tax payable including minimum tax and final taxes payable under any of the provision of the Income Tax Ordinance, 2001.

Further, in accordance with sub-section 5 of section 100C of the Ordinance, surplus funds of a non-profit organization shall be taxed at a rate of ten percent. For the purpose of this sub-section, surplus funds means funds or monies:

- (a) not spent on charitable and welfare activities during the tax year;
- (b) received during the tax year as donations, voluntary contributions, subscriptions and other incomes;
- (c) which are more than twenty-five percent of the total receipts of the non-profit organization received during the tax year; and
- (d) are not part of restricted funds.

For the purposes of this clause, "restricted funds" mean any fund received by the organization but could not be spent and treated as revenue during the year due to any obligation placed by the donor or funds received in kind.

The Trust has complied with the aforementioned conditions of the Income Tax Ordinance, 2001. The operations of the Trust fall within the purview of section 100C of the Income Tax Ordinance, 2001 and the tax credit of hundred percent is allowed under section 100C of the Income Tax Ordinance, 2001 in respect of tax payable including minimum tax and final taxes payable and consequently no charge has been recognised in these financial statements.

26 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties include members of the Board of Trustees, their close family members, key management personnel of the Trust and entities / undertakings with common directorship / trusteeship. Details of balances with related parties as at the end of the year and transactions with them during the year are as follows:

Transactions during the year	2025 ----- (Rupees) -----	2024 -----
Zindagi Trust USA Inc. - Associated undertaking		
Donation received	<u>23,488,325</u>	<u>30,070,711</u>
Zakat received	<u>39,469,784</u>	<u>-</u>
Getz Pharma (Pvt) Limited - Associated undertaking		
Donation received	<u>-</u>	<u>30,000</u>
Durbeen - Associated undertaking		
Zakat paid	<u>3,863,982</u>	<u>6,000,000</u>
Marketing charges	<u>-</u>	<u>200,000</u>
Transportation charges	<u>-</u>	<u>1,500</u>
Trustees		
Donation received	<u>-</u>	<u>1,500,000</u>
Travelling expenses	<u>826,400</u>	<u>436,999</u>
Key management personnel		
Travelling expenses	<u>211,506</u>	<u>253,242</u>
Training and development expenses	<u>-</u>	<u>59,850</u>
Salaries and wages	<u>14,094,334</u>	<u>10,750,000</u>
Balances outstanding as at year end		
Key management personnel		
Loan outstanding	<u>105,556</u>	<u>105,556</u>

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27 FINANCIAL INSTRUMENTS BY CATEGORY

	2025	2024
	At amortised cost	
	----- (Rupees) -----	
Financial assets		
Investments	189,400,075	196,195,128
Security deposits	8,000	653,000
Loans, advances and other receivables	4,756,088	717,945
Cash and bank balances	312,546,510	217,496,809
	<u>506,710,673</u>	<u>415,062,882</u>
Financial liabilities		
Retention money	13,652,059	9,837,284
Accrued expenses and other liabilities	13,809,845	10,118,726
	<u>27,461,904</u>	<u>19,956,010</u>

28 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Trust's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. The Trust's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance. Overall, risks arising from the Trust's financial assets and liabilities are limited. The Trust consistently manages its exposure to financial risk without any material change from previous period in the manner described in notes below. The Board of Trustees has overall responsibility for the establishment and oversight of Trust's risk management framework. The Board is also responsible for developing the Trust's risk management policies. The Trust, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

28.1 Financial risk

(i) Market risk

This is the risk that the fair value or the future cash flows of a financial instruments may fluctuate as a result of changes in variables such as profit rates and foreign exchange rates.

Market risk comprises of three types of risk: interest rate risk, currency risk and price risk.

(a) Interest rate risk

Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market profit rates. Sensitivity to interest / mark-up rate arises due to mismatches of financial assets and financial liabilities that mature or reprice in a given period. The Trust manages these mismatches through risk management strategies where significant changes in gap position can be adjusted.

i) Sensitivity analysis for variable rate instruments

Presently, the Trust holds balances with bank which expose the Trust to cash flow profit rate risk. In case of 100 basis points increase / decrease in applicable rates on the last repricing date with all other variables held constant, the surplus for the year and net assets of the Trust would have been higher / lower by Rs. 2.933 million (2024: Rs. 2.149 million).

ii) Sensitivity analysis for fixed rate instruments

As at June 30, 2025, the Trust holds market treasury bills but since these are classified as financial assets 'at amortised cost', it does not expose the Trust to fair value interest rate risk.

Yield / interest rate sensitivity position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off-balance sheet instruments is based on the settlement date.

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The Trust is exposed to interest / mark-up rate risk in respect of the following:

As at June 30, 2025							
Effective yield / interest rate	Interest / mark-up bearing			Non-interest / mark-up bearing			Total
	Maturity upto one year	Maturity after one year	Sub-total	Maturity upto one year	Maturity after one year	Sub-total	
Rupees							
Financial assets							
Investments	12.19%-21.34%	189,400,075	-	189,400,075	-	-	189,400,075
Security deposits		-	-	-	8,000	-	8,000
Loans, advances and other receivables		-	-	-	4,756,088	-	4,756,088
Cash and bank balances	7.20%-10.50%	294,797,135	-	294,797,135	17,749,375	-	312,546,510
		484,197,210		484,197,210	22,513,463		506,710,673
Financial liabilities							
Retention money		13,652,059	-	13,652,059	-	-	13,652,059
Accrued expenses and other liabilities		-	-	-	13,809,845	-	13,809,845
		13,652,059		13,652,059	13,809,845		27,461,904
On balance sheet gap		<u>470,545,151</u>	<u>-</u>	<u>470,545,151</u>	<u>8,703,618</u>	<u>-</u>	<u>479,248,769</u>
Total interest rate sensitivity gap		<u>470,545,151</u>	<u>-</u>	<u>470,545,151</u>	<u>8,703,618</u>	<u>-</u>	<u>479,248,769</u>
Cumulative interest rate sensitivity gap		<u>470,545,151</u>	<u>470,545,151</u>				

As at June 30, 2024							
Effective yield / interest rate	Interest / mark-up bearing			Non-interest / mark-up bearing			Total
	Maturity upto one year	Maturity after one year	Sub-total	Maturity upto one year	Maturity after one year	Sub-total	
Rupees							
Financial assets							
Investments	19.00% - 21.30%	196,611,566	-	196,611,566	-	-	196,611,566
Security deposits		-	-	-	653,000	-	653,000
Loans, advances and other receivables		-	-	-	717,945	-	717,945
Cash and bank balances	7.50% - 20.50%	215,026,954	-	215,026,954	2,053,417	-	217,080,371
		411,064,773		411,064,773	3,998,109		415,062,882
Financial liabilities							
Retention money		9,837,284	-	9,837,284	-	-	9,837,284
Accrued expenses and other liabilities		-	-	-	10,118,726	-	10,118,726
		9,837,284		9,837,284	10,118,726		14,029,312
On balance sheet gap		<u>401,227,489</u>	<u>-</u>	<u>401,227,489</u>	<u>(6,120,617)</u>	<u>-</u>	<u>395,106,872</u>
Total interest rate sensitivity gap		<u>401,227,489</u>	<u>-</u>	<u>401,227,489</u>	<u>(6,120,617)</u>	<u>-</u>	<u>395,106,872</u>
Cumulative interest rate sensitivity gap		<u>401,227,489</u>	<u>401,227,489</u>				

(b) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Trust does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

(c) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from profit rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. As at June 30, 2024, the Trust does not hold any financial instruments that may expose it to price risk.

(ii) Liquidity risk

Liquidity risk is the risk that the Trust will encounter difficulty in meeting obligations associated with its financial liabilities. To guard against the risk, the Trust maintains balance of cash and other equivalents. The maturity profile of assets and liabilities are also monitored to ensure adequate liquidity is maintained.

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The table below analyses the Trust's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date on an undiscounted cash flow basis.

	2025			
	Carrying amount	Contractual cash flows	Maturity upto one year	Maturity after one year
Rupees				
Financial liabilities				
Retention money	13,652,059	13,652,059	13,652,059	-
Accrued expenses and other liabilities	14,559,845	14,559,845	14,559,845	-
	<u>28,211,904</u>	<u>28,211,904</u>	<u>28,211,904</u>	<u>-</u>

	2024			
	Carrying amount	Contractual cash flows	Maturity upto one year	Maturity after one year
Rupees				
Financial liabilities				
Retention money	9,837,284	9,837,284	9,837,284	-
Accrued expenses and other liabilities	4,192,028	4,192,028	4,192,028	-
	<u>14,029,312</u>	<u>14,029,312</u>	<u>14,029,312</u>	<u>-</u>

(iii) Credit risk

Credit risk is the risk that arises with the possibility that one party to a financial instrument will fail to discharge its obligation and cause the other party to incur a financial loss. The management of the Trust has adopted appropriate policies to minimise its exposure to this risk and believes that the Trust is not exposed to any significant concentration of credit risk.

The Trust is exposed to credit risk on balances with banks, investments held in term deposit receipts and interest accrued on balances with banks and term deposit receipts. The maximum exposure to credit risk is equal to the carrying amount of financial assets. All the financial assets of the Trust as disclosed in note 27 are subject to credit risk, except for investment in market treasury bills and cash in hand amounting to Rs. 189.40 million and Rs. 0.053 million (2024: Rs. 146.195 million and Rs. 0.065 million) respectively. These represent a low risk as they are placed with banks having good credit ratings assigned by the accredited credit rating agencies. The expected credit losses (ECL) against these financial assets, measured in accordance with note 3.4.1.3 were not material and hence, no adjustment has been made in the financial statements.

The credit quality of Trust's balances with banks can be assessed with reference to external credit ratings as follows:

	2025		2024		Rating agency
	Short-term	Long-term	Short-term	Long-term	
Bank AL Habib Limited	A-1+	AAA	A-1+	AAA	PACRA
Telenor Microfinance Bank Limited	A-1	A+	A-1	A	PACRA
Habib Bank Limited	A-1+	AAA	A-1+	AAA	VIS
BankIslami Pakistan Limited	A-1	AA-	A-1	AA-	PACRA
United Bank Limited	A-1+	AAA	A-1+	AAA	VIS
Faysal Bank Limited	A-1+	AA	A-1+	AA	PACRA / VIS

28.2 Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the processes, technology and infrastructure supporting the Trust's operations either internally within the entity or externally at the Trust's service providers, from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of investment management behaviour. Operational risks arise from all of the Trust's activities.

29 FUND MANAGEMENT

The Trust receives donations from corporate entities and individual donors including Trustees and other related parties. The Trust's objective when managing funds is to safeguard its ability to continue as a going concern and to maintain a strong fund base to support the sustained development of its operations.

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30 FAIR VALUE MEASUREMENT

30.1 Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Trust is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

Financial assets which are tradeable in an open market are revalued at the market prices prevailing on the reporting date. The estimated fair value of all other financial assets and liabilities are considered not to be significantly different from carrying values.

30.1.1 Fair value hierarchy

International Financial Reporting Standard 13, 'Fair value measurement' requires the Trust to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

Valuation techniques used in determination of fair values within level 2

Items	Valuation approach and input used
Investment in Market Treasury Bills	The fair values of investments in market treasury bills are derived by using PKRV rates.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. As at June 30, 2025 and June 30, 2024, the Trust held the following assets disclosed but not measured at fair values:

	2025			
	Level 1	Level 2	Level 3	Total
----- Rupees -----				
Financial assets 'at amortised cost'				
- Investment in Market Treasury Bills	-	189,911,800	-	189,911,800
----- Rupees -----				
	2024			
	Level 1	Level 2	Level 3	Total
----- Rupees -----				
Financial assets 'at amortised cost'				
- Investment in Market Treasury Bills	-	145,763,520	-	145,763,520

The Trust has not disclosed the fair value of the remaining financial assets as their carrying amounts are a reasonable approximation of their fair value.

31 NUMBER OF EMPLOYEES

2025

2024

Total number of employees as at year end

- Head office	32	18
- SMB Fatima Jinnah Government Girls School	129	119
- Khatoon-e-Pakistan School	80	75
- Shangla Girls School	94	87

Average number of employees during the year

- Head office	23	19
- SMB Fatima Jinnah Government Girls School	127	111
- Khatoon-e-Pakistan School	77	70
- Shangla Girls School	93	81

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32 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever considered necessary, for the purposes of comparison and to reflect the substance of the transactions. There have been no significant reclassifications or rearrangements in these financial statements during the current year.

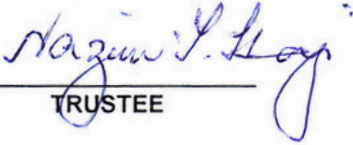
33 GENERAL

Figures have been rounded off to the nearest Rupee, unless otherwise specified.

34 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on _____ by the Board of Trustees of the Trust.

Attest



TRUSTEE



CHAIRMAN