



SPO
Strengthening
Participatory
Organization

اداره استحکام شرکتی ترقی

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Strengthening Participatory Organization (SPO) is a non-government, not-for-profit company registered on January 15, 1994, set up under license from SECP (CLA) under section 42 of the Companies Ordinance 1984 and approved under section 2 (36) of the Income Tax Ordinance 2001.

Progress Report
(Highlights)
2007-2008



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Progress Report 2007-2008

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Message from the Chairperson



This was a year marked by a historic struggle in Pakistan. Although it started with the gloom of the floods of 2007 in Sindh and Balochistan, it ended on a positive note of hope for democratic Pakistan. With its roots in marginalized communities, SPO remained engaged in its efforts to achieve the basic rights to food, shelter and protection for flood victims, and political, economic and social rights for all citizens. The report in hand portrays the range and spread of SPO's interventions. Though apparently diverse, all activities lead to the realization of SPO's vision of a democratic, socially just and tolerant Pakistan. I think it may not be wrong if I say that the commitment of the Board and the staff to the organizational values of equity with partners, mutual trust, transparency and participation made this possible.

An important aspect of SPO's approach to working on a tall agenda has been the sustained collaboration with other civil society organizations. The collective effort meant that resources could be shared and synergistic energies channeled into magnifying suppressed voices and achieving results. The report portrays some of the collaborative efforts and the networks that gave strength, visibility and recognition to civil society. The Free and Fair Elections Network (FAFEN) and Pakistan Coalition for Free and Fair Elections (PACFREL) for voters' education and election monitoring, Insani Haqooq Ittehad (Human Rights Network) for resistance to violence against women and the growing terrorism, and supporting the movement for democracy and restoration of the Chief Justice and other judges, and the Pakistan Coalition for Education for advocacy on education are examples of national level civil society alliances in which SPO played a leading role.

Close links with community-based organizations have always been SPO's distinctive strength. We are happy to share in this report the findings and recommendations of SPO's first joint monitoring mission regarding this aspect of our work. Our two oldest and major supporters, the Canadian International Development Agency (CIDA) and the Royal Netherlands Embassy (RNE), Islamabad, planned the monitoring mission. The mission looked at SPO's core programs and reported that: "Despite all the problems with measuring the efficacy of its work and the issue of attribution, the Mid-Term Review Mission felt that SPO had played a critical role in capacity building of institutions working at the village and union council level, and support for these organizations has helped to contribute to local development in many ways". The mission further suggested that "support to these organizations should be continued, despite the difficult challenges that SPO is likely to face in some parts of the country". Terrorist attacks on two of its offices in Dera Ismail Khan and Battagram this year were a heavy price that SPO paid for strengthening these basic building blocks of civil society.

The challenges are becoming increasingly difficult, the environment is getting more hostile, but with maturity, revolutionary zeal and dedication of the SPO team, I am confident that together we will continue to enlarge the space for civil society action, and for a more just social, economic and political dispensation.

Sadiqa Salahuddin
Karachi, March 2009

The testing times continue. All its promise, vigour and aspirations notwithstanding, Pakistan remains up the creek without a paddle. Both the two important occurrences of the year 2007-8 posed immense challenges to the economy of the country and the status of civil society. First, the cyclone Yemyin and subsequent floods that hit Balochistan and parts of southern Sindh in June-July 2007, and second, the imposition of emergency rule in November 2007 by the army chief and President of the republic, invoking widespread political reaction led by the civil society with lawyers in the forefront. The emergency rule and the accompanying Provisional Constitutional Order resulted in more than sixty judges of the superior courts being deposed, including the Chief Justice of Pakistan and two chiefs of provincial high courts. Media freedoms were drastically curbed.

Our wounds as a nation were not healed fully from the devastating earthquake of October 2005 when cyclone and floods wreaked havoc across Balochistan and parts of Sindh. It was a natural disaster, but human negligence, whether it is in engineering, political decision making or simply management, magnified its negative impact. Living up to its sound institutional traditions, SPO was among the first to begin relief work on the ground and initiate rehabilitation work, primarily in the districts of Kech (Turbat), Nasirabad, Jaffarabad, Washuk, Bolan, Sibbi, Thatta and Badin. Later, we were generously supported by a host of international agencies, community organisations and volunteers, and also the media, in our campaigning and resource mobilisation efforts. Besides mobilising communities, giving access to potable water by cleaning up wells, distributing relief packages and medical supplies, and providing rehabilitative livelihood and shelter support, SPO was instrumental in setting up mechanisms for coordination between the state (including local governments), NGOs, communities and the army. The present report mentions some of that work, but the most significant internal development was the decision taken later in the year by SPO to establish a full-fledged humanitarian response section and a permanent fund within the organisation. I salute the team of SPO and community volunteers who did not fail the poor and affected people from Balochistan and Sindh.

While SPO values the critical, strong and purposeful relationship with the newly established government organization, the National Disaster Management Authority, and wishes to continue working with it in future to make Pakistan a disaster-proof country, the happenings of November 2007, as was the case in March 2007, ironically found SPO in dissonance with the policies pursued by the military-led government. In some sense, it reflects the institutional thinking of SPO, which, on the one hand asks to cooperate fully with any state institution working for public good, and on the other, demands unflinching adherence to democratic governance, social justice, supremacy of the Constitution, and realisation of human rights. Believing as it does in non violence and the rule of law, SPO took an active part in civil society movements struggling for a just, democratic and prosperous homeland.

I must thank Bilal Naqeeb for producing this report, and also Riazat Hussain, Nasreen Azhar and Shazia Pervaiz for their support.

Harris Khalique
Islamabad, March 2009

From the Chief Executive's Desk



SPO's Election Observation Cell Report

Strengthening Participatory Organization (SPO), the largest rights-based civil society organization in Pakistan, set up an Election Observation Cell to monitor the General Elections 2008. In this regard more than 3000 observers, including community volunteers, media persons and professionals were deployed in 95 constituencies of the National Assembly in all four provinces. Most of the corresponding provincial assembly seats, 177 in all, were also covered by the observation cell. A team of 15 professionals and volunteers based in SPO National Centre in Islamabad gathered data directly from observers. The work of SPO in one third of the constituencies was covered and supported by FAFEN and PACFREL, two representative civil society led monitoring networks, and the information generated by SPO was fed into the findings of both these networks.

The Cell collected and disseminated information on the law and order situation in and around the polling stations, voter turnout (including that of women), and observance of ECP regulations during the process. The reports were shared with national and international print and electronic media, political parties, civil society organizations and research institutions. The summary of key findings is as follows:

1. General Noncompliance of ECP Regulations:

- Start of polling delayed in 20% constituencies, largely in Punjab.
- At 6 polling stations of 3 constituencies, including NA-180 (Muzaffargarh), NA-192 (Rahimyar Khan) and NA-224 (Badin), an hour after the given time polling had not started.
- No security was deployed at 11 (2.3%) polling stations from 6 constituencies in Punjab, 4 in NWFP, and 1 in Balochistan.
- At 18 (3.7%) polling stations of 8 constituencies, arrangements for secret balloting were not ensured. For instance, in Lodhran in NA 154 and 155, polling stations 241, 137, 168, 262, and 265 ballot boxes were not properly sealed and had been tied with ropes.



2. Status of Women's Participation and Voter Turnout in general

- SPO observers reported that average women's participation was 40% of the total, with the highest at 48% in Punjab, 40% in Balochistan, 34% in Sindh, and 30% in NWFP.
- Some 816 women were interviewed out of which 170 (20%) reported that arrangements to facilitate women voters at polling stations were unsatisfactory.
- In NA-9 women reported that attempts were made by polling agents to influence them to cast their votes in favor of candidates they were representing.
- In rural areas of NA-24 (Dera Ismail Khan) the candidates had mutually agreed that women voters would not be allowed to vote.
- In NA-34 (Lower Dir) there was no participation of women observed at polling stations.
- In Charsadda NA 7, PF 19, polling station No. 157, voting by women was stopped as directed by local elders. Polling staff was not present. Also, in Peshawar PF 6 no female vote was cast.
- It was reported that in Swat, NA 29 and 30, women were completely banned from voting. Similarly, in Lower Dir NA 34, there was no participation of women in the voting process. In NA 25, D. I. Khan, Chowdwan Town, elders of the different political parties decided not to allow women to vote. Reports of women not being allowed to vote were also received from Peshawar NA 4, and Charsadda NA 7. It was also reported that women voters were threatened in three polling stations.
- The voter turnout was very low in Chitral PF 90, and Peshawar PF 6. Till 1:30pm, out of 1600 male voters in Chitral PF 90 only 200 had cast their votes; and out of 700 female voters only a few came out to vote. In Peshawar PF 6, out of 1075 male voters only 4 turned up. No woman voter came to vote. In Nowshera, too, turnout was low and only 314 votes were polled. Observers in Peshawar reported very low turnout in general till 2pm.
- In Lower Dir PF 96, polling stations No. 53 and No. 53, by 2:17 pm out of a total of 1238 registered male voters only 240 votes had been polled. No vote was polled by women, although there were 579 registered women voters. In both polling stations no staff was present. In NA 4, PF 11, Peshawar, too, few votes were cast. In polling station No. 199, out of 2400 registered women voters, only 87 votes were polled; and out of 2355 male voters only 184 votes were polled.

3. Law and Order Situation:

- At 84 out of 952 polling stations observers reported several cases of violence. In 15 Punjab constituencies there were 8 cases, in Sindh 3 cases, and in Balochistan 4 cases.
- It was reported from PP 98, Gujranwala, that the PML-Q candidate, Chowdhry Mohammad Iqbal, fired at supporters of his PPP competitor, Mohammad Arqam Khan, injuring four people. And in constituency NA 98 fear of firing stalled voting and scared away voters. Clashes were reported and firing was exchanged between supporters of various parties in Gujranwala NA 95 and NA 98.

- Instances of coercing and threatening voters were reported from Khanewal (Kabirwala). In Constituency NA.156, polling station No. 73 located in the Girls' Middle School, the PML-Q candidate lifted the screen and threatened women voters. It was reported that his supporters were illegally stamping ballot papers after disallowing women voters to vote. Also in NA 156, polling stations Nos. 42 and 43, located in Sardarpur Boys High School, Raza Hayat Hirraj entered the polling station and threatened women voters to vote in his favor.
- Another instance was reported from NA 125, Lahore, PP 152, where the PML-Q candidate offered money to supporters of his opponent and tried to get them to vote for him instead.
- In Vehari NA-167 unknown people opened fire at a polling station, which caused temporary suspension of voting.
- Reports from Khushab NA 69 expressed concern that the district administration may have been influenced by the husband of a PML-Q candidate, who is in a senior position in the bureaucracy. The candidate's supporters were stopping the polling staff from counting the votes and trying to alter the result in two polling stations.
- In NA 154, Multan, polling station No. 32, polling agents of PML-Q threw out PPP polling agents causing polling to be stopped for 30 minutes. And in polling station No.94 PML-Q supporters threatened voters, which caused a brawl and voting stopped for 25 minutes.
- In Lahore NA 118, names of several voters were not registered and polling staff was disallowing voting with old ID cards.

4. Malpractices

- In PP 152, polling station No. 61, female staff was not present. At other polling stations of the same constituencies female polling staff was illegally stamping ballot papers in favour of the PML-Q candidate.
- In Khanewal NA 156, reports of illegal stamping of ballot papers were received.
- No polling staff and no election material reached the polling stations in PF 85 Swat, including polling station No. 205 (Teerat), No. 194 (Badali), No. 186 (Chail), and No. 183 (Sataal). People protested against this on the streets.
- In PF 77, Bunair, polling station No. 16, PPP Sherpao polling agents were seen stamping ballot papers themselves, while the Presiding Officer took no notice.
- Several observers reported that many voters found their names missing in the voters' lists. There were also instances of names having been entered twice.
- Reports were received from NA 218 in Sindh that voters were stopped from casting their votes.
- In Karachi 15, NA 253, polling staff at some stations was reported to be biased towards MQM.

5. Rigging

- In the mega city of Karachi and in Tharparkar (Sindh) several incidents of rigging were reported. Observers noted that huge numbers of votes were shown to be cast in sectors where the number of voters had seemed to be small. It was reported that in several constituencies, polling agents from major parties other than MQM were not allowed into the polling stations and election camps set up by the opposing parties were removed.
- Observers in the polling stations in NA 249 who visited in the area reported very low voter turnout, around 100 or so at each polling station, but final results announced that over a 100,000 votes had been cast.
- In NA 252 polling stations in Bahadur Yar Jung School and KMC Education Office, it was reported that the number of actual voters was very small, but MQM workers laid siege to the place and stamped ballot papers themselves. Presiding Officers were threatened and warned not to interfere while ballot papers were being stamped and stuffed in the ballot boxes. Observers claim that this could be verified by checking the thumb imprint, as the polling agent was putting his own thumbprint on the counterfoils of all the ballot papers.
- In NA 240, the PPP candidate was in the lead throughout, but unexpectedly the seat was won by the MQM candidate. Reports say that taking advantage of the low voter turnout a large number of ballot papers were stamped by MQM supporters themselves. A woman voter was reported to have cast her vote six times.
- In NA 253 in Sachal Goth the polling station was shifted to another place late in the night on the day before polling. Consequently, many voters were not able to cast their votes, as they did not know where to go. At another polling station in NA-253 voters were given the wrong seals, so that their votes should be disqualified. At a third polling station, an attempt was made to cast fake votes at the last moment, but the presiding officer foiled the attempt by insisting that observers should stay till the counting was concluded and ballot boxes sealed.
- In NA 250 journalists and observers were not allowed to enter the polling stations. This was the seat that was won by an MQM candidate, whereas earlier voting trends had shown that she was trailing behind her opponent a short while before close of polling.
- The same occurred in NA 249, where a known MQM candidate suddenly won after trends announced up to 10 pm had shown him to be losing.
- Reports coming in from Tharparker NA 229 and NA 230 said that from 11 am onwards ballot papers were stamped and stuffed into ballot boxes, especially at the Kantio polling station. In NA 230, PS 63, an illegal lunch interval was announced. There was no polling staff in Dharendro. This was the constituency of former Chief Minister from PML-Q.

Capacity Building for Good Governance

Since its inception, SPO has been recognized for its Development Planning and Management Programmes, which were first developed in 1992 and have since been improved twice in the light of CBOs' needs and SPO's field experience. Major revisions were made during the beginning of the current phase, which increased the time given to it to almost 23 days spread over 5 workshops. The latest version includes sensitization regarding political education, rights-based approaches and advocacy, as well as a set of illustrated material to help train non-literate participants. Trainings on financial management, gender and development, and environment, which were previously conducted separately, have also been mainstreamed in the revised DPM programme. Each workshop is titled for its core objective as under:

- DPM-1: Development Concept
- DPM-2: Organizational Management
- DPM-3: Situation Assessment
- DPM-4: Programme/Project Planning
- DPM-5: Programme/Project Management

During the year, the last cycle of the phase was completed with 68 CBOs through 25 workshops, while 28 additional CBOs from Chitral (16) and Karachi (12) will be completing the cycle in the first two quarters of the next year. The list of Clusters and number of organizations that went through different stages of the DPM cycle are shown in the following table:

Number of Training Workshops conducted with CBO Clusters

Province	DPM-1	DPM-2	DPM-3	DPM-4	DPM-5
Balochistan	Washuk (11)	Khuzdar (11) Lasbella (8) Washuk (11)	Khuzdar (11) Lasbella (8) Washuk (11)	Awaran (8) Khuzdar (11) Lasbella (8) Washuk (11)	Awaran (8) Jaffarabad (10) Khuzdar (11) Lasbella (8) Washuk (11)
NWFP	Chitral (16)	Chitral (16)	Chitral (16)	Chitral (16)	Malakand (9)
Punjab	---	---	---	---	Sargodha (11)
Sindh	Karachi (12)	Karachi (12)	Karachi (12)	---	---
Total	3 (39)	5 (58)	5 (58)	5 (54)	7 (68)

Number of Training Workshops conducted with WO Clusters

Province	DPM-1	DPM-2	DPM-3	DPM-4	DPM-5
Balochistan	---	Khuzdar (9) Lasbella (7)	Khuzdar (9) Lasbella (7)	Khuzdar (9) Lasbella (7)	Khuzdar (9) Lasbella (7) Gwadard (5)
NWFP	---	---	---	---	Mardan (9)
Punjab	---	---	---	---	Khanewal (7)
Sindh	---	---	---	---	---
Total		2 (16)	2 (16)	2 (16)	5 (37)

Number of organizations participated in trainings

Province	CBOs	WOs	Total
Balochistan	48	21	69
NWFP	25	9	34
Punjab	11	7	18
Sindh	12	--	12
Total	96	37	133

Bringing women at par to participate in development initiatives requires equitable developmental planning, which has been mainstreamed in SPO's result-based management systems. This year, as usual, the capacity building programme with women's clusters continued moderately and engaged 37

women's organisations in the capacity building programme. All clusters as per plan have completed the series of all five workshops successfully, and are now moving ahead to promote and protect equal rights within their own communities. They have seen that their major role is to contribute to the uplifting of their social and economic status, which will ultimately safeguard and protect them from the prevailing violence against women, so visible in rural areas where the literacy rate is very low.

Based on SPO's criteria for selecting three participants from each CBO, with the condition that at least one must be a woman, and four from each women's organization, has worked well, and some 473 members of 133 CBOs and WOs attended SPO's training events, out of which 185 were women.

Laal Bibi – An Emerging Women's Leadership in Lasbella



I am a 35 years old woman and I live very close to the seashore near Gadani, District Lasbella. The main source of our livelihood is fishing. Our village is deprived of all basic facilities, such as clean drinking water, adequate sanitation and health services. The nearby market is situated at a distance of 35 kilometers. There is no proper road to get to the market. Especially on rainy days, our village remains disconnected from the rest of the world. I and other women of the village had to bear many hardships until we were approached by a SPO female staff member, who advised us to form a women's group in our village. I mobilized the women of the village and received training from SPO. The training did wonders for me. I became confident and decided to take part in the local government elections. With the help of my female group I was elected District Council member. The first thing I did after occupying my office as District Council member was to mobilize support for the construction of a link road to our village. Finally my request was accepted by the Chief Minister Balochistan who has approved a paved road for the inhabitants of the village Gadani. The women's organization has also donated a piece of land for the construction of a girls' school in the area. Another NGO, TCF, is providing the technical assistance for the construction of the school.

Laal Bibi, President, Women Development Organization, Gadani

Key Findings of PO Profile Survey

To ascertain the overall impact of SPO programs and assess the level of sustainability, a comprehensive study focusing on the partner organizations was carried out, wherein partner organizations were approached to provide their feedback through a questionnaire. The major findings, given below, are based on the analysis of 1021 POs from all over Pakistan.

- SPO is working with more than 1500 POs across the country out of which 1021 could be surveyed. 61% of the surveyed organizations were active and working in their communities.
- NGOs interactions with local government and line departments have increased manifold. More than 42% of respondent organizations say that after completion of this capacity building program they were better placed to develop linkages with local governments and line departments. Similarly, 31% respondents think that they have gained a lot of influence and say in municipal affairs, and are in a better position to engage local governments and line departments on preventative health care and education issues.
- The study reveals that linkages/networking within POs have improved, as more than 51% organizations maintain multiple membership with one or more networks, suggesting that POs have achieved a level of maturity.
- This study also reveals that quest for learning in POs has further increased after going through training by SPO, which is evident from the fact that before the intervention of SPO, participation of these organizations in training programs by other NGOs and Donors was negligible, 29.3%, but by the close of this program it has gone up to 51%.
- The trend of maintaining records by organizations has improved, as 80% of program trained organizations now maintain office records. Level of maintenance of record keeping out of ten prescribed records i.e. 1) Membership Record, 2) Meeting Register/Minutes, 3) Project Files, 4) Work Plans, 5) Annual Budget, 6) Training Reports, 7) Project Proposals, 8) Cash Book, 9) Ledger and 10) Vouchers, varies from organization to organization and is interlinked with the number and type of running projects. Out of these ten prescribed records, the minimum level of maintenance was achieved for keeping a Ledger, 56%, and the maximum for Meetings Register/Minutes, i.e. 77%.
- Financial transparency has improved in POs, and all the active organizations are maintaining bank accounts except one. This denotes the level of behaviour change in organizational management and transparency in maintaining finances.
- Governance structures within POs also showed significant improvement, as around 54% organizations held elections for positions of leadership at least once since 2004. The positive trend is evident from the fact that more than 24% of respondent organizations held elections twice, 5.3% held them thrice, and 3.9% held them four times.

- Sensitization of POs regarding the importance of Conflict Resolution and their capacity has also increased, as around 80% respondent organizations are able to differentiate between the types of conflict and methods for their resolution.
- More than 40% respondent organizations think that they have been able to address women specific issues and contributed towards their solutions in to a varying degree.
- Similarly, more than 35% respondent organizations have been successful in identifying and addressing environmental issue.

Maturity Assessment of Partner Organizations

During the year, post DPM CBI Assessment was carried out with 28 clusters from all four provinces. This exercise was planned in a Performance Management Framework to assess the maturity level of partner organisations. There are some eight remaining clusters to be assessed in order to gauge what was learnt from the phase, and to judge the appropriateness of the programme for achieving the desired results. The clusters are: 4 from Punjab, 2 from Sindh, and 1 each from Balochistan and NWFP.

PO Maturity Level	Total
CBO: Usually all measurements are below 4 (below 35%)	8.4%
Some CBDO Qualities: Mostly below 5 with some over 5 (35-55%)	31.2%
CBDO with some gaps: Mostly 6 or above, with some below 6 (55+ %)	51.9%
Operational CBDO: All scores are 6 or above (70%)	8.4%
Ideal/Mature CBDO: All scores are above 8 (85+ %)	--

Each cluster had been assessed twice, i.e. before and after the training programme on predefined 10 Capacity Building Indicators, including Development Concepts and Vision, Leadership and Decision Making, Community Participation, CBO Membership, Outreach, Development Planning, Programme Management, Organisational Management, Financial Management and Sustainability. The assessment process was carried out in a participatory manner. The results were compiled with the mutual consent of the CBO/WO members and classified into 5 levels of organizational maturity mutually defined by SPO's Programme Management.

On the basis of the assessment of 237 organisations comprising: 129 from Balochistan, 51 from NWFP, 29 from Punjab and 28 from Sindh, the majority of the organisations, i.e. 51.9%, were observed to be at Level-3. Of the remaining 48.1% observed, 31.1% were at Level-2, and 8.4% at Level-1 and Level-4 each.

Two clusters have shown very low progress even after completing the DPM programme. The cluster of Jaffarabad, because of its diversification showed a wide range of results at outcome level. Where there were 4 organisations in the cluster that showed no noticeable change in capacity, another organisation achieved the maturity level of an Operational Community-based Development Organisation. Unfortunately, because of a lag in funding in 2004, the cluster in Lodhran could not be provided timely inputs, including technical assistance in conducting follow-ups and also, there was a delay in Chhoti Funding. Most of the projects were supported to set up typical Stitching Centres, which could not

attract women of the community since the members of many organisations represented middle class and comparatively moderate income families. The potential for providing support to this community will need to be further explored.

Realizing the potential of the organisations achieving maturity level-4 of Operational CBDOs, additional support towards their Organisational Development through regular technical backstopping will be provided. SPO will help to further strengthen their institutions through making governance and management more effective, developing and improving systems, policies and procedures.



List of Clusters with Number of POs by Maturity Level

S. #.	Cluster	CBO/WO	Total POs	POs Assessed	Cluster average	Maturity Level			
						Level 1	Level 2	Level 3	Level 4
Balochistan									
1	JAFFARABAD - A	CBO	13	10	level 2	4	3	2	1
2	LORA LAI - A	CBO	11	7	level 3	-	-	5	2
3	AWARAN - A	CBO	8	8	level 3	-	1	7	-
4	KECH - A	CBO	9	9	level 2	-	5	4	-
5	WASHUK - A	CBO	11	11	level 3	-	4	6	1
6	LASBELA - A	CBO	11	8	level 2	2	2	2	2
7	PANJGUR - A	CBO	12	12	level 3	-	-	12	-
8	ZIARAT - C	CBO	8	8	level 2	-	7	1	-
9	KHUZDAR M	CBO	11	11	level 2	2	7	1	-
10	KALAT - B	WO	12	8	level 3	-	1	5	2
11	SIBI - B	WO	9	6	level 3	-	-	6	-
12	DASHT - A	WO	11	9	level 2	-	5	5	-
13	MASTUNG - C	WO	10	6	level 3	-	3	3	-
14	QUETTA - B	WO	9	9	level 3	-	5	4	-
15	KHUZDAR W	WO	11	11	level 2	2	5	1	-
NWFP									
16	BUNNER - A	CBO	14	10	level 3	-	2	7	1
17	SHANGLA-A	CBO	12	11	level 3	1	2	6	2
18	MALAKAND - B	CBO	12	7	level 4	-	-	5	2
19	MALAKAND - A	WO	7	7	level 3	-	1	6	-
20	SWAT - C	WO	9	8	level 3	-	-	7	1
21	MARDAN - C	WO	8	8	level 3	-	2	6	-
Punjab									
22	BHAKKAR - A	CBO	11	9	level 2	-	3	6	-
23	LODHRAN - B	WO	11	9	level 1	6	3	-	-
24	LAYYAH - A	CBO	12	11	level 2	1	6	4	-
Sindh									
25	HYDERABAD - D	CBO	10	7	level 4	-	-	2	5
26	HYDERABAD - E	WO	7	5	level 3	-	-	4	1
27	THATTA - B	WO	9	7	level 2	1	2	4	-
28	NAWABSHAH - B	WO	9	9	Level 2	1	6	2	-
						20	74	123	20

Grant Funding

During the current phase, SPO was able to mobilize resources for Balochistan Province from the Royal Netherlands Embassy (RNE), and for Sindh from the Pakistan Poverty Alleviation Fund (PPAF) under its Community Physical Infrastructure Programme. SPO's Regional Project Approval Committee (RPAC) approved 11 projects in Balochistan during the reporting period. Out of these, 6 are women specific projects. SPO ensures that women have the opportunity to identify and express their needs, contribute their skills and resources and obtain an equitable share of benefits with respect to any development. The summary of these projects is provided in the table below:

Projects Supported to CBOs (Balochistan)

S.#	PO Name	Project Title	Sector	Approved Fund (Rs.)
1	Gul Welfare Organization, Quetta	Establishment of Computer Center for Boys	Education	163,350
2	Voice of Nation, Loralai	Establishment of Computer Center for Boys	Education	162,250
3	Qandeel Human Development Organization, Ketch	Computer Training Center	Education	196,020
4	Keelkor Development Society, Kech	Provision of Clean Drinking Water	Drinking Water	222,750
5	Development Organization for Community, Kech	Malik Aasa Computer Center	Education	196,020
Total Amount (CBO Projects)				940,390

Projects Supported to Women Organizations (Balochistan)

S.#	PO Name	Project Title	Sector	Approved Fund (Rs.)
1	Leadership for Women Development Organization, Kalat	Establishment of Computer Center for Women	Education	154,550
2	Shama Welfare Society, Kalat	Goat Rearing Project for 14 women	Income Generation	107,800
3	Khawateen Development Society, Charmori, Sibi	Establishment of Computer Center	Education	154,550
4	Khawateen Development Society, Sibi	Establishment of Computer Center	Education	154,550
5	Soghaat Educational Development Organization, Kech	Pour Flush Latrine	Sanitation	194,920
6	Anjuman Falah-o-Behbood, Kech	Pour Flush Latrine	Sanitation	194,920
Total Amount (WOs Projects)				961,290



In Sindh, a one-day networking and linkages meeting with UNDP-GEF for POs was organized. The National Coordinator UNDP-GEF gave a presentation regarding the UNDP/GEF programme. More than 50 POs attended the meeting. As a result, 11 projects worth Rs.29 million were approved and disbursed to SPO partners from GEF funding in Sindh.

Pakistan Poverty Alleviation Fund (PPAF) approved 47 CPI projects for SPO's partner organizations in District Thatta.

S.#	CBO Name	Project title	Approved Budget by SPO
1	Sanjrani Welfare Association	Community Hand Pumps	168,807
2	Latif Welfare Association	Community Hand Pumps	331,971
3	Leghari Welfare Association	Brick Pavement	354,946
4	Mawo Khan Jamali Welfare Association	Community Hand Pumps	190,898
5	Jat Welfare Association	Access / Circulation- External- Bridge	325,189
6	Chandia Welfare Association	Community Hand Pumps	197,773
7	Mevo Khan Welfare Association	Community Hand Pumps	190,698
8	Latif Welfare Association	Community Hand Pumps	331,971
9	Sanjrani Welfare Association	Community Hand Pumps	168,807
10	Jat Welfare Association	Village Bridge	325,189
11	Chandia Welfare Association	Water Tank	197,773
12	Laghari Welfare Association	Brick Pavement	354,946
13	AL-Madina Welfare Association	Pit Latrine	206,912
14	Usmania Welfare Association	Pit Latrine	206,912
15	AL-Mehran Welfare Association	Pit Latrine	173,026
16	Mohd Yousif Welfare Association	Brick Pavement	721,687
17	Keenjhar Welfare Association	Brick Pavement	415,908
18	Sarmad Welfare Association	Community Hand Pumps	220,650
19	Shahed Shah Inayat Welfare Association	Earthen Embankment	411,774
20	AL-Abid Welfare Association	Community Hand Pumps	180,378

21	Ghous Pak Welfare Association	Community Hand Pumps	243,108
22	Surhan Welfare Association	Community Hand Pumps	207,708
23	Bhittai Welfare Association	Earthen Embankment	799,623
24	Bukhari Welfare Association	Water Tank	341,634
25	Shah Yaqeeq Welfare Association	Community Hand Pumps	289,494
26	Hussaini Welfare Association	Community Hand Pumps	331,864
27	Jeay Latif Welfare Association	Community Hand Pumps	339,501
28	Soomra Welfare Association	Water Tank	265,041
29	Usman Ghani Welfare Association	Water Tank	373,986
30	AL-Muhammadi Welfare Association	Community Hand Pumps	245,033
31	Bakhat Gul Welfare Association	Community Hand Pumps	384,664
32	Gulshan-e-Ahmed Welfare Association	Community Hand Pumps	271,384
33	Jamali Welfare Association	Community Hand Pumps	221,254
34	Noorani Welfare Association	Water Tank	405,613
35	Sindh Sahil Welfare Association	Community Hand Pumps	326,599
36	Dastgeer Welfare Association	Community Hand Pumps	638,937
37	Naon Abad Welfare Association	Community Hand Pumps	249,273
38	Sindh Welfare Association	Community Hand Pumps	250,564
39	Sarwari Welfare Association	Community Hand Pumps	488,956
40	Sadat Welfare Association	Water Tank	294,939
41	Bismillah Welfare Association	Earthen Embankment	787,082
42	Roshan Subhoo Welfare Association	Community Hand Pumps	330,480
43	AL-Rashid Welfare Association	Village Bridge	589,128
44	Soonhan W .A	Community Hand Pumps	410,100
45	Sanghar Welfare Association	Community Hand Pumps	225,134
46	Chandia Welfare Association	Earthen Embankment	716,390
47	Ghous Pak Welfare Association	Earthen Embankment	920,448
Total Budget			16,624,152

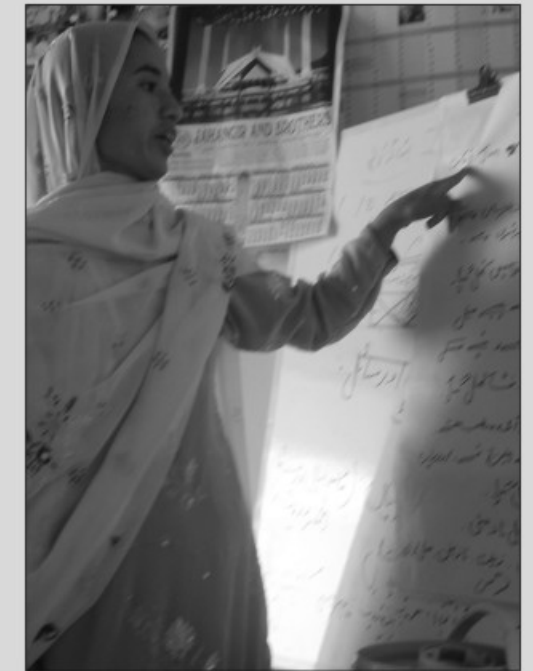
Project evaluations were carried out for 12 projects in NWFP and 14 in Balochistan. These project evaluations included: assessment of project overall impact, including gender and environment; project sustainability; lessons learnt; and recommendations. The projects received grants in the earlier phase of Chhoti funding. Post project assessments were also carried for 5 POs.



Balochistan Education Foundation Geared Towards Women's Empowerment

Hava Bibi is a member of the Blochistan Education Foundation (BDF). BDF is a women's organization working in district Mastung for the empowerment of women. The WO was given a sum of Rs. 21, 000 as Chhoti Funding. Hava Bibi received Rs. 3000 from the organization for initiating a small home based business for designing and embroidering women's clothes. To start with she bought 5 hand blocks (Thapy) with embroidery designs. Hava Bibi earns Rs. 20 for blocking a design on a dress, which is then embroidered. She was able to pay regular installments and return the loan. She says she is getting good results and has now bought 12 Thapy of different designs. She is thankful to SPO and BDF who enabled her to earn a respectable living while sitting at home. The additional support to her family has helped raised her social profile and she is now an active participant in decision making at home.

Another woman, Zeenat, is the office secretary of BDF. She also took a loan from the Chhoti funding given to BDF by SPO. Zeenat has studied up to the Intermediate level but could not get and job. She decided to start something at home. She applied for a loan of Rs. 5000 from the organization. With this money she started making covers for mobile phone, key chains and jewelry with artificial pearls. This work was the first of its kind in the area and drew the attention of many customers. Her products are selling at a fast pace and her business is doing well. She says a mobile cover costs her Rs. 100 and she sells it for Rs. 150. She has been able to return the loan within a year, and is now earning a profit and supplementing the family income.



Chhoti Funding

During the reporting period, SPO supported 68 partner organizations, out of which 27 were women's organisations, with Chhoti (micro) funding to develop local initiatives and putting into practice the skills acquired from DPM workshops. A total amount of Rs.1,070,000 was disbursed, mostly in Balochistan, with the minimum limit being Rs. 10,000 and the upper limit being Rs.25,000. It is anticipated that the projects will benefit approximately 14,000 people, out of which 65% will be women.

A detailed analytical report will be compiled on Chhoti Funding Projects next year to capture its impact on local communities.

Number of Chhoti funding supported by regions				
Province	CBOs	WOs	Total	Amount Disbursed
Balochistan	29	10	39	780,000
NWFP	--	--	--	--
Punjab	0	13	13	130,000
Sindh	12	4	16	160,000
Total	41	27	68	1,070,000



Persistence Spreads Colour

Ruqaiya says that deprivation and inequity motivated her to struggle for women's empowerment. Her motivation for such a movement started from the interest stirred by religious instruction. With the support of her husband, she picked up courage and began to organize women, but she needed guidance and information. Ruqaiya joined Al Asar- Organization, a mid level NGO and partner of SPO in DG Khan, and engaged herself in educational and health activities. From this platform she mobilized the women and sensitized them for their economic uplift. She attended the DPM trainings held by SPO and resolved to work exclusively for and with women's groups, bringing about a change in their lives and helping them to explore their potential. To attain this objective, she established a women's organization with the name of Al- Qaim.

With the help of Chhoti funding from SPO the organization started working for women prisoners, and provided them with work orders for making ornaments and sold the ornaments in the market. The small project yielded handsome profits and the organization set up a vocational centre. Earnings from the vocational centre were utilized for small loans for needy women. These initiatives fortified the organization's relationship with the community and increased its membership. During this time Ruqaiya was also elected as a member of the Tehsil Council and Insaaf (Justice) Committee.

Her prominence in the conservative area of DG Khan caused ripples and her opponents impeded her efforts. Her organization was refused registration because of the increasing rivalry that unfortunately surrounded her. Her mobility and prominence as a social worker caused many to envy her. But in due course her organization was nominated for the project coordination and implementation of a CIDA supported project for providing potable water. Her organization successfully implemented the project within the specified time period. Her dedication to pro-people development enhanced her credibility and increased her organization's visibility in D.G Khan. The enhanced credibility also led to her organization being approved for registration.

Ruqaiya is now running a modern technical training centre for women with funding from Bait-ul-Maal. Her dedication and Al Qaim's work in 56 villages gained recognition from international organizations working in DG Khan, such as Oxfam and UNDP. At present, Al-Qaim has an expanded outreach and a strong presence in the district. Ruqaiya's dedication to the work she believed in, and her persistence, brought light and colour in the lives of many women.



Strengthening Civil Society Movements

SPO has been supporting 44 networks spread over all four provinces. These are thematic focused networks that have been advocating district specific issues and demanding policy level interventions for their solution. SPO has trained the networks in research, campaigning, advocacy, and regarding their specific thematic focus, so that their campaigns can be more effective.

Planning and review exercises took place with all the CSNs during the reporting period. The CSNs were then monitored in the light of their work plans. Assistance was provided wherever required, and to help networks to improve their reporting and documentation skills. The monitoring conducted reflects that the networks achieved satisfactory progress.

All CSNs received consultation and technical assistance in order to effectively carry out their activities. Exchange visits for CSNs of Balochistan were conducted. Civil Society Networks' campaigns, particularly in the districts of Noshki, Mastung, Sibi, Naseerabad and Turbat, suffered a setback because members were heavily engaged in relief activities following the cyclone and flood in the second half of 2007.



4



Listed below are some major interventions where the CSNs collaborated in provinces:

- SPO supported networks engaged actively with the electoral processes at the grass roots level. They have been part of many mobilization campaigns, and were very active in the Free and Fair Election Network (FAFEN) and the Pakistan Coalition for Free and Democratic Elections (PACFREL). The networks advocated electoral reforms, democracy and good governance, peaceful and transparent elections, and lobbied for an independent Election Commission and enhanced women participation. They raised public awareness and participated in long term and short term election observation exercises.
- All the networks were very active in the campaign to restore the senior judiciary dismissed arbitrarily by the Musharraf government. They joined hands with the lawyers' movement and other civil society movements to raise their voice against state brutalities and dictatorial measures against the democratic rights of the people.
- Network members in NWFP have been actively engaged with the peace movement that emerged in response to the growing religious extremism, intolerance and violence.
- On June 23rd and 24th, 2007, the coastal areas of Pakistan were hit by the tropical cyclone Yemyin. The cyclone packing winds of up to 80 miles per hour (130 km ph) roared over the Arabian Sea to the south of Karachi and hit the coast of the southwestern province of Balochistan. The flooding affected 18 districts in Balochistan and a further five in Sindh. SPO played a very active role during this emergency, and undertook a number of flood relief and rehabilitation projects by utilizing its own resources as well as with the support of other donors. Three offices of SPO are located in the districts, which were worst hit districts, namely Kech (Turbat), Sibi and Gwadar.

SPO's Civil Society Networks and partner organizations in the affected districts were all actively involved in the relief efforts.

Regional Centers	CSNs	Issue being pursued by CSNs
Balochistan	<ul style="list-style-type: none"> Lorali Civil Society Network Sohob Gender Network SARAWAN Civil Society Network 	<ul style="list-style-type: none"> Implemented UNDP-SDEPP supported project in the 08 Union Councils of Districts Lorlai and Mastung. Organized cycle rally and District Orientation Workshop on the role of women in elections. People were helped to obtain National Identity Cards and demonstrations on voting procedures were also given in the 08 union councils.
	Balochistan Mahigeer Network (BMN)	<ul style="list-style-type: none"> Took action against trolling and illegal fishing. Organized a walk and met with district administration, officials and relevant department. Protested with other political and social groups and UC nazims against hiring out spiders of Gwadar in the Port Took action against illegal fishing by Gwadar Marine International. Met District Government, ministers, Deputy Speaker of Balochistan Assembly. With both chapters of BMN jointly approached High Court against BCDA and Fisheries Department.
	Lasbela Civil Society Network	<ul style="list-style-type: none"> Took action against illegal fuel shops in the entire market in Bela city, met with city Nazim and DPO Lasbela and launched a signature campaign. Started a campaign to protect Juniper trees locally known as "Ghaghar" that are endangered because of illegal felling by timber merchants from outside. Developed posters to raise awareness in the community and received positive District Government response
	Juniper Environmental Council	<ul style="list-style-type: none"> Carried out Earthquake Assessment
	Sabawoon Development Federation-Pishin	<ul style="list-style-type: none"> Distributed food items to people affected by earthquake Mobilized hundreds of volunteers for earthquake response
NWFP	Dera Ismail Khan Civil Society Network	<ul style="list-style-type: none"> A campaign on inclusive education to promote the concept of inclusive education in schools, and create opportunities for physically handicapped children to carry out their studies with normal children.
	SWAT Civil Society Network	<ul style="list-style-type: none"> Promotion of tolerance through corner meetings with the purpose of building people's opinion against extremism
	Shangla Development Council	<ul style="list-style-type: none"> A campaign on Plantation for the conservation of natural resources in the district.
	Swat Participatory Council	<ul style="list-style-type: none"> A dialogue process with District Government Swat and Private Schools Management Association (PSMA) to initiate and manage plantation on government, communal and private land with the involvement of public and private sector organizations.
Punjab	South Punjab NGOs Network	<ul style="list-style-type: none"> Awareness seminars on Violence Against Women to sensitize and orientate communities about the types of violence against women. Conducted protests and meetings with the police officials to show solidarity with rape victims
	<ul style="list-style-type: none"> Mianwali Civil Society Network Khanewal Civil Society Network Muzafargarh Civil Society Network 	<ul style="list-style-type: none"> Advocacy campaigns launched by the Civil Society Networks in 6 districts of South Punjab for the dissemination of research findings regarding "Missing facilities in primary schools of South Punjab"
Sindh	<ul style="list-style-type: none"> Hyderabad Development Forum Nawabshah Development Coalition 	<ul style="list-style-type: none"> A campaign framed on participation of women in the electoral process, under a project supported by UNDP- "Supporting democratic electoral process in Pakistan". The campaign included seminars, cycle rallies and voter education on the importance of women's vote and their participation in the electoral process.
	RAIN Civil Society Network	<ul style="list-style-type: none"> Executed Voter Registration Project by carrying out meetings with peoples, organizing information campaigns and discussion forums. The project is supported by The Asia Foundation in the districts of Umerkot.

Peace Movements by CSNs in NWFP

In the province of NWFP, in Swat, Mardan, Charsadda, Bunair, Shangla, Peshawar, Bannu, Tank and Dir militant activities become commonplace during the year, and schools and CD shops were burnt or blown-up by bombs. The situation deteriorated to the extent that even Police Stations were not spared. The situation was further exacerbated because of ineffective counter militancy measures by the government. Swat and Shangla became battlegrounds for militant and security forces. On the other hand, D.I. Khan and Hango witnessed a wave of sectarian violence between rival Shia and Sunni groups. The brunt of this violence was also borne by civil society organizations; their offices and vehicles were burnt and there were increasing attacks on staff members.

Keeping in view the severity of the situation, all NWFP based CSNs formed ZWANDOON, a provincial level network. This network rose to the challenge and responded by launching a Peace Movement in violence affected areas of the province. The strategy adopted for the peace movement was developed keeping in mind local cultural sensitivities and environment. Activities included: separate community meetings for men and women, consultative meetings with religious scholars/khateeb, seminars, poetry contests, musical programs, book fairs, sports' events and speech contests for youth, and the formation of several Peace Committees.

Initially the peace movement was launched in Swat and D.I. Khan. In Swat alone, 20 community meetings were arranged in different areas, where religious scholars and female social workers conducted orientation sessions with community men and women separately. Participation in these meetings was encouraging, as around 100 to 150 men and women attended each meeting. The main emphasis was on promoting peace and harmony among the various segments of society. In D.I. Khan, the focus of the peace movement was on sectarian violence, and meetings of religious scholars and community members in five violence affected union councils of D.I. Khan, were arranged. The objective was to mobilize people against sectarian violence, and raise awareness regarding the importance of peace and harmony among different segments of society.



In the light of the success of this movement in Swat and D.I. Khan, its scope was extended to other violence affected areas of NWFP, and activities for promoting peace and harmony were conducted in Malakand, Noshehra, Bunair, Dera Ismail Khan, Dir, Charsadda and Shangla. Efforts were consistently made to engage a wide range of influential local stakeholders in the events, such as: politicians, councilors, social workers and religious leaders. Additionally, various tree plantation campaigns were conducted as part of the peace movement.

The role of the women's organizations of CSN Mardan was pivotal in this peace movement, as women in traditional societies of Pakistan are considered symbols of peace. Women's meetings at the village level could not have been organized without the support of activists in the women's organizations.

Strengthening Sectoral/Regional Networks

Insani Haqooq Ittehad (IHI)

At the national level SPO remained an active member of the influential Islamabad based network of civil society organizations and concerned individuals, the Human Rights Network or Insani Haqooq Ittehad (IHI). From early 2007 to the end of 2008 the IHI secretariat was housed in the SPO National Centre. The network held a number of street demonstrations, seminars and press conferences, and issued press statements in response to current social and political developments. Main issues taken up were: violence against women, religious extremism, free and fair elections and restoration of democracy, freedom of the press and re-instatement of the arbitrarily dismissed Chief Justice and other senior judges.

Among other activities, demonstrations and seminars were organized to protest against the growing religious extremism in FATA and NWFP and violence and vigilantism perpetrated by clerics and students of the Lal Masjid in Islamabad. A demonstration was held outside Parliament to protest the brutal killing of five women in Balochistan and demand action against the perpetrators. As a result the Government set up a high powered committee to investigate the matter. Also, a large demonstration was organized to demand the removal of two Federal Ministers, who had publicly supported archaic patriarchal practices against women. Individual cases of violence against were also taken up.

Candlelight vigils were held to protest government's action against the judiciary, and the lawyers' movement supported. A rally was held outside the office of the Election Commission to demand that voters' lists be updated, women voters be facilitated and the national elections conducted in a transparent manner. Consequently, a law was passed, which made it an offence to stop women from voting. A major activity undertaken by IHI just before the elections was the drafting of the People's Agenda, which reflected the position of civil society on social and political issues facing the country and demanded pro-poor policies, as opposed to the manifestoes and charters issued by political parties. This was disseminated to political parties and sent to the print media.



Pakistan Coalition for Education

Pakistan Coalition for Education (PCE) is a national level network of diverse civil society organizations and individuals committed to quality education for all, which acts collectively to influence policies and practices through research-based advocacy and mobilization. PCE is working in 60 districts of Pakistan with a vision to ensure free quality education for all, irrespective of gender, religion, ethnicity and class differences, that promotes peace, tolerance, democracy and justice and safeguards diversity.

PCE's National Secretariat is housed in the SPO office in Islamabad, which is also the coordinating organization for all its activities. PCE works with a range of stakeholders at district, provincial, national and international levels to influence policy.

During the period under review, PCE launched a wide ranging campaign to obtain and disseminate the perspectives and suggestions of educationists, members of civil society, development workers, teachers, parents, children, and community members on the Draft National Education Policy - 2008. The outcome of the consultations was shared with Government representatives and decision makers in Parliament. It also held dialogues with policy makers, parliamentarians, politicians and other important stakeholders to share ideas and perspectives on the White Paper on Education issued by the Government.

A research study on "Financing of Education in Pakistan" was conducted as part of a regional initiative covering 10 countries of Asia and the Pacific region; and policy papers on "Privatization of Education" and "Standardization of Education in Pakistan" were published. PCE actively participated in the Global Campaign for Education and celebrated Literacy Day.



Institutional Strengthening of SPO



SPO Faces Terrorism

During the year, SPO's two offices, the D.I.Khan (Permanent Office) and Battagram (Project Office) faced severe terrorism. In September, D I Khan office was first attacked in an act of terrorism, in which the staff was beaten up, property was damaged and vehicles were taken away by the assailants. The temporary project office of SPO for the rehabilitation services in Battagram was blown up on 30th October 2007 at 2:00 am in the morning while the staff was asleep. The blast was of such intensity that the residential facility is heavily damaged. The nature of the blast is yet to be determined. Two of the staff members were critically injured with head wounds. No group or individual claimed responsibility for both incidences.

The board, after reviewing the situation and consulting the management and field staff, decided to continue its work but decided to take extra security measures while implementing programmes in the field.

Short-term projects implemented by SPO

SPO signed 21 new projects with different donors for relief and rehabilitation support in Balochistan, a multi-sectoral project in Azad Jammu and Kashmir and continued work with the Pakistan Poverty Alleviation Fund (PPAF).

SPO's new interventions in Azad Jammu and Kashmir

SPO went into partnership with Oxfam and the International Catholic Migration Commission (ICMC) to support its three-year programme based in three districts of Azad Jammu & Kashmir, in Muzaffarabad, Bagh and Neelum. Areas of work include:

- Livelihood and disaster risk reduction
- Gender and education
- District level disaster management plans

With the aim to restore the livelihood of selected communities through improved linkages with local government, the programme will be initiated for earthquake affected communities by sensitizing local partners, government and elected representatives. It will result in improved planning and management skills of local institutions on disaster risk reduction, and effective planning for disaster management.

The programme takes up the challenge to recognize women as the primary stakeholders during the project implementation. Major interventions will incorporate mobilizing communities to eliminate violence against women, and include improving access to health and education services, especially for women and girls.

6

Flood Relief and Rehabilitation in Southern Balochistan

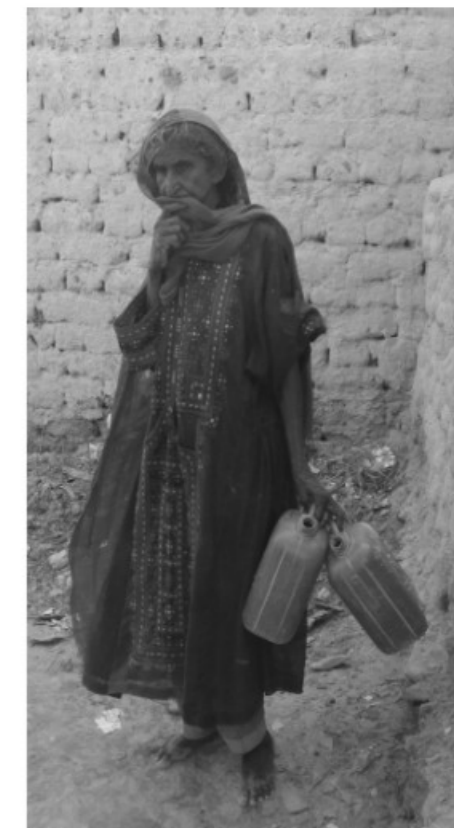
As reported in an earlier section, the coastal areas of Pakistan were hit by a tropical cyclone in June 2007, which hit the coast of the southwestern province of Balochistan, dumping torrential rains over Balochistan and the province of Sindh. The torrential rains and flash floods played havoc in these areas causing a number of casualties. Also, flash floods and torrential rains in parts of NWFP had a devastating affect on the local population.

The weather phenomena that developed because of this cyclone resulted in major loss of life, livelihoods and property. Over one million people across the three provinces, Sindh, Balochistan and NWFP, became homeless. Most parts of these provinces were inaccessible and road communications were totally destroyed, making large-scale rescue operations and relief work difficult.

There was severe shortage of food, clean drinking water and medicines. SPO conducted relief operations in the areas where water had receded and facilitated rescue operations in other areas with the government agencies.

In order to respond quickly and effectively to disaster situation, SPO established a permanent Emergency Relief Fund.

In collaboration with Care Pakistan, Church World Service, Save the Children UK, Save the Children Japan, the Canadian High Commission, the Royal Netherlands Embassy and the International Organisation for Migration, SPO implemented a number of projects during the relief and rehabilitation phase in Balochistan, including food and non-food items, livelihood support and awareness sessions for disaster risk reduction and preparedness.



List of Special Programmes and Projects undertaken by SPO during 2007 - 2008

S. #	Project Period		Project Title	Project Location	Supported by	Amount
	Start Date	End Date				
1	July 2007	Dec 2007	Technical Training for Blue Pottery, Hala-Sindh, AHAN	Hyderabad	SMEDA	Rs.2.11 M
2	9 July 2007	8 Aug 2007	Naseerabad Balochistan Flood Relief Project	Naseerabad	CARE International-Pakistan	Rs.2.20 M
3	21 Aug 2007	20 Nov 2007	Strengthening Psycho-Social Capacity of vulnerable children, women and youth in flood affected communities in Balochistan	Quetta	CARE International-Pakistan	Rs.2.64 M
4	12 July 2007	31 Oct 2007	Rescue & Relief Response project (RRRP) for flood affected districts of Balochistan	Naseerabad, Sibbi	Canadian High Commission	Rs.2.65 M
5	Jul 2007	Sep 2007	Immediate Relief through provision of Food and Non-Food Items for households in Turbat.	Kech	Save The Children-UK	Rs.12.45 M
6	17 July 2007	17 Oct 2007	Administrative Management of Rapid Response Team	Quetta, Hyderabad	International Organization for Migration	Rs.2.72 M
7	1 July 2007	30 Sep 2008	Flood Appeal	Quetta, Kech	RNE	Rs.1.53 M
8	1 July 2007	31 Oct 2007	Putting together and distributing food packages and plastic sheets for Turbat, Thatta.	Turbat, Thatta	Church World Services	Rs.0.6 M
9	1 July 2007	31 Oct 2007	Putting together and distributing food packages and plastic sheets in Turbat and Thatta Sindh.	Turbat, Thatta	Church World Services	Rs.6.6 M
10	15 Sep 2007	14 Feb 2008	Emergency Assistance for Storm Affected People in Sindh- ASPK 71	Hyderabad	Church World Services	Rs.0.72 M
11	13 Aug 2007	12 Jan 2008	Pakistan Flood Emergency Response in Kech (Karaiz Rehabilitation)	Kech	Church World Services	Rs. 8.14 M
12	17 Sep 2007	17 Oct 2007	Relief Operation for flood victims in Kech, Balochistan (SC-JAPAN)	Kech	Save The Children-UK	Rs.0.57 M
13	9 Aug 2007	9 Nov 2007	Relief and recovery for children and communities in flood affected Balochistan	Quetta	Save The Children-UK	Rs.3.36 M
14	2 Oct 2007	2 Dec 2007	Emergency Education and Early Recovery for children and communities in flood affected District Kech	Kech	Save The Children-UK	Rs.3.96 M
15	25 Jan 2008	25 Feb 2008	Relief Operation (Phase-II) for flood victims in Kech, Balochistan	Kech	Save The Children-Japan	Rs.1.10 M
16	1 Oct 2007	31 Mar 2008	Voter Education and Observation (Annex-IV)	Punjab, Balochistan	The Asia Foundation	Rs.21.7 M
17	1 Dec 2007	31 May 2008	Free and Fair Elections in Pakistan	Peshawar, Multan, Hyderabad	PACFRELL (SAP-Pk)	Rs.5.45 M
18	1 Jan 2008	15 Jul 2008	HID Implementation Plan-I (Under Sindh Coastal Areas Development Programme)	Sindh	Pakistan Poverty Alleviation Fund	Rs.2.06 M
19	15 Apr 2008	15 Jul 2008	Youth Civic Education Program. (Annex-V)	Punjab	The Asia Foundation	Rs.1.01 M
20	1 Apr 2008	31 Dec 2010	Earthquake Reconstruction Program	Neelam, Bagh	OXFAM	Rs.68.15 M
21	1 Apr 2008	31 Mar 2010	Promotion of Access to Services and Protection for Vulnerable People in Northern Pakistan	Muzaffarabad	International Catholic Migration Commission	Rs.32.27 M

HRD Activities (July 2007-June 2008)

No.	Staff	Training Event/Exposure	Purpose	Conducted by/Venue
1	Ms. Shazia Pervaiz	Planning, Monitoring, Evaluation and Reporting Training	Due to the new responsibilities of the employee in SPO, the training was targeted at conceptual clarity of the subject	CWS
2	Mr. Zafar Zeshan, Mr. Bilal Naqeeb, Mr. Ijaz Qasim Mr. Aaref Farooqui Ms. Nighat Rafaq	Exposure Visit to BRAC	The senior management was provided an opportunity to visit and study different functions/systems, e.g. M&E, Resource Mobilization, Financial, administrative and Human Resource Management at BRAC	BRAC
3	Lubna Hannan, Roland Williams, Kiran Zahoor, Zahida Hameed, Hassan Bakhsh, Rozina Raisani, Kathy, Rakhshanda Taj, Zubair Ahmed, Parveen Qausar, Ramzan Ahmedani, Shaista Manzoor, Muhammad Sami,	"Office Management Skills"	To train our front desk and administrative staff in basic office management and IT skills	SPO with the help of ASK Development
4	Samreen Ghauri, Ali Ejaz, Abdul Wahab	"Supervisory Skills"	For TU Staff, Orientation of TU coordinators on Hygiene, time management and supervisory skills.	SPO with the help of "Leading Minds"
5	Tahir Rizwan	"MS-Excel for Decision Making"		"Comprehensive Business Consultants"
6	Roohi Bano	One month training on Library Management	To help her understand the basic mechanisms of Library/ Resource Centre management	Quaid-e-Azam Library, Lahore
7	Ms.Roohi Bano, Ijaz Durrani, Shahid Mehmood	Human Rights Mechanisms in UN		National Commission for Justice and Peace
8	All Program and Finance Staff	Gender Based Frameworks, Tax Reforms) Lectures at PRM		
9	Tahir Rizwan, Ehtesham Mussadiq, Nasir Masih	Study Support	To provide financial assistance to staff to encourage them in enhancing qualifications related to their work	
10	Ijaz Qasim, Ellahi Bakhsh	Dubai International Humanitarian Aid and Development (DIHAD) workshop and Conference Dubai	To provide, an opportunity to the staff who were involved in the Disaster Management activities of SPO, a platform for experience sharing on Humanitarian Response system and linkages with international donors.	UNOCHA
11	Raheema Pahnwer	Civics World Assembly	CIVICUS is an international alliance to nurture the foundation, growth and protection of citizen action throughout the world, especially in areas where participatory democracy and citizens' freedom of association are threatened. The world assembly focused on the theme of 'People, participation and power' held in Scotland in June (18-21 st) 2008	CIVICUS
12	Fakhruddin Razi	Server 2008 Launch Ceremony	To get updated knowledge in IT atmosphere	Microsoft

Below is the summary of some key recommendations based on the findings of the joint mid-term evaluation:

Specific Area	Key Recommendations
Capacity Building of CBOs.	SPO's basic premise of focusing on capacity building at the grass roots level is sound and needs to be continued. SPO needs to define a strategy that carves out a role for its POs focusing on advocacy and awareness-raising within a rights based framework SPO needs to undertake more strategic planning and managing of its linkage creation function as this is likely to yield the greatest dividends from its capacity building function.
Development Planning and Management Training	DPM manuals should be subjected to constant internal and external review along with staff capacity for delivery. Tailoring DPM Training for special needs of WOs and different types of CBOs. Some aspects of the DPM need to be further strengthened, such as the rights based approach and gender concepts. Consider including thematic modules in the DPM, such as on micro-finance, etc. Include sessions on poverty and vulnerability assessments.
Civil Society Networks	Exploring different models and arrangements for establishing CSNs rather than pursuing one standardized model. The linkage of the CSN's with their member CBOs and WOs needs to be strengthened. Women's participation in the CSN's needs to be strengthened and alternative strategies that enhance their participation need to be developed.
Social Sector Funding	Continue to facilitate and support the provision of basic services through its social sector funding component as well as through linkages with others. SPOs selection of projects needs to be more strategic and based on its original criteria of institutional strengthening. SPO needs to discuss with others, such as NRB, opportunities for creating more fiscal space for financing of such projects. SPO needs to strengthen its technical capacity and assess the feasibility of social sector projects much more rigorously.
Micro-Finance	SPO's policy of discontinuing its work in the area of micro-finance is a sensible one. SPO should not think of getting into micro-finance directly. SPO needs to help forge a policy for its CBOs in this regard and better prepare its CBOs and WOs in the area of micro-finance by including a course in the DPM on micro-finance. SPO should consider negotiating with PPAF the possibility of linking some of its more promising and advanced CBOs and WOs who want to engage in micro-finance over the long-term with proper capacity building.
Devolution	SPO needs to be more strategic and focus on those local institutions and individuals which feel they are empowered to take action. SPO needs to develop innovative ways of sharing its lessons and disseminating them through the CSNs and other partners, rather than trying to cover all the local government institutions itself.
Monitoring and Evaluation System	Develop a monitoring system designed to capture the performance indicators identified more fully. SPO needs to analyze more rigorously the information available with it and needs technical assistance to review its LIS system. Devise a cost effective mechanism to track CBOs, WOs and CSN membership, financial flows, scope of work, and linkages with other donors and sustainability. Undertake more random surveys to assess performance of CBOs, WOs, CSNs and social sector projects.
CBI Scoring System	Revise its CBI scoring matrix and the basis of grading. Disaggregate some of the scores in the CBI matrix. Review the manner in which the scores are shared and communicated. Scoring sheet needs to be made simpler and translated in Urdu, and the interpretation and utility of these has to be discussed with the CBOs and WO. Staff members responsible for the DPM training should not be the ones completing the appraisal sheet.
Logical Framework Analysis	Needs to be reviewed and the monitoring system designed to capture the performance indicators identified.
Monitoring Reports	Reports need to be made shorter, more analytical and issue oriented and should present the cumulative progress. Disaggregate impact by gender.
Policy Level	Gender and Equal Opportunity and Affirmative Action policies of SPO need to be adhered to actively in order to recruit and retain more women in higher positions in the organization for a healthy gender balance. A comprehensive gender strategy needs to be formulated at the programmatic level in order to provide a sustained and systematic focus and understanding on gender integration.

Gender Training	Sustained follow-up is required to break the stereotypes and internal biases of the trainees with respect to gender issues. SPO should invest in building the capacity of the Gender and Capacity Building teams to enhance their understanding of gender issues within a more localized context.
Gender Integration	Follow a more integrated approach in areas which are conducive to accepting mixed clusters and CSNs.
Formation of WOs	Provide on-going technical assistance to WOs. Tailor its DPM training and base it on issues that resonate with the youth.
Gender Analysis	Should become part and parcel of all on-going projects internally at SPO as well as by the WOs and CBOs. Quantitative and qualitative gender sensitive indicators disaggregated by sex and other socio-economic factors need to be included.
Development Planning and Management	Review the DPM modules on sustainability and add modules on succession planning, enhancing financial and institutional sustainability, etc.
Women's Organizations	Develop a better criterion for the selection of women trainees and ensuring a certain level of support to the WOs beyond the DPM period.
CBOs, WOs and Civil Society Networks	Fine tune the balance between training and technical assistance. Develop a profile of CBOs and WOs which gives a better understanding of the sustainability of these organizations and track them over time. Establish incentives for CSNs and CBOs and WOs which reach certain milestones and link its institutional support to CSNs on the basis of performance.
Social Sector Projects	Careful analysis of social sector and chhoti funding projects and selecting those which are more likely to be sustainable.
New Institutional Arrangements	SPO should reduce the tendency to create new and artificial structures as these are less likely to be sustainable
Strategic Planning	Strategy development exercise is should be presented as a well thought out document rather than presented on an excel sheet the format of which does not clearly indicate the logic and reflection behind some of the issues discussed.
Staff Capacity	Strengthening the capacity building and gender teams through regular technical assistance and staff training.
Monitoring and evaluation	Strengthening of the monitoring function of the SPO is highly recommended along with a careful review of the monitoring reports and formats.
Resource Mobilisation	Develop a resource mobilisation strategy. Develop a plan to attract indigenous philanthropic sources as well as Diaspora philanthropy for its core programme.
Emergency Relief	SPO's decision to establish a separate unit to deal with emergency situations is endorsed.
CIDA and RNE Support	Support to CBOs and WOs should be continued despite the difficult challenges that SPO is likely to face in some parts of the country. As such, future support of CIDA and RNE to SPO is highly recommended.
Consolidation versus Expansion	Entry and exit strategy at the district level needs to be more sharply defined. A more cogent and comprehensive strategy for district coverage is required. Negotiate a special programme for CBOs and WOs in coordination with a large donor such as the Pakistan Poverty Alleviation Fund and develop a district level strategy. A categorization of CBOs may also open the possibility of a two tiered approach to training and developing a cascade approach to training with the more experienced and capable CBOs taking the responsibility for training village level CBOs and WOs might help to enhance SPO's coverage in a cost-effective manner and meet some of the un-met demand. SPO could add more value by training additional CBOs and WOs and the marginal utility of investing more resources in existing CBOs for higher levels of DPM was likely to be limited. SPO should continue to focus on the small CBOs and WOs operating at the union council or village level. However, SPO needs to be a little more discerning in its choice of CBOs as currently some of the CBOs are large and experienced and there is little value in including them in the training.
Local Government Institutions	SPO's work would have greater impact if it were to identify locations where training local government representatives is more meaningful. in fashioning its overall strategy for working with local bodies, SPO should also hold a strategy development session with the NRB
Scope for Expansion to other Areas Like FATA	SPO's work in FATA needs to be supported and is recommended by the review team.
Potential for Donor Collaboration	SPO senior management needs to engage with some of the key donors to explore the synergies and a coordinated strategy for helping to build local capacity.

Joint Mid-term Review of SPO's Core Programme

During the year, Canadian International Development Agency (CIDA) and the Royal Netherlands Embassy (RNE), Islamabad, who have been supporting SPO throughout Pakistan, jointly planned a mid-term review of SPO for their core programmes. RNE has been supporting a 4-year programme (2004-2008) for good governance in the Balochistan province; while CIDA has been funding SPO-programmes in NWFP, Punjab and Sindh (2005-2008).

The mission report summarized its findings saying that: "Despite all the problems with measuring the efficacy of its work and the issue of attribution, the Mid-Term Review Mission felt that SPO had played a critical role in capacity building of institutions working at the village and union council level, and support for these organizations has helped to contribute to local development in many ways. Furthermore, small NGOs and CBOs have been mushrooming across Pakistan in the last few decades. Support to these organizations should be continued, despite the difficult challenges that SPO is likely to face in some parts of the country".

Publications



Discussion Paper No. 9

SPO published a discussion paper on "Challenges and Opportunities in the post TRIPS era for Pakistan-An overview of amended Pakistan Patents Ordinance 2000". The paper was written by Mr. Asim Gulzar during his studies at the School of Oriental and African Studies (SOAS). Mr. Asim Gulzar reviewed and further refined it for SPO's wide range of stakeholders.

The author states

"The adoption of TRIPS requires massive modifications in the existing rules and laws to bring them in conformity with its obligations that pose daunting challenges for the poor countries of the world, including Pakistan, because of its failure to promote sustainable development in the post TRIPS era. This adaptation also produced various opportunities in the form of flexibilities provided under TRIPS, but due to the vested interest and pressure of multi-national companies and the United States these flexibilities were not properly utilized. The amended Patents Amendment Ordinance 2000 is one such example that fails in this respect and provides for wider scope of definitions, lax criteria for patentable inventions, poor compulsory licensing regime and relief in suits for likely infringement. As a result this will have serious consequences for the health, environment and agriculture sectors of Pakistan".

As part of SPO's communication strategy, different kinds of publications are produced to communicate with a wide range of stakeholders in appropriate mediums and languages. Quarterly Newsletters and Annual Reports exclusively target key stakeholders, including partner organizations, government, funding agencies, media, academia etc. These publications, along with their latest updates, and the complete series of Discussion Papers are also available on SPO's website.

List of publications produced by SPO during 2007 – 2008

S.No.	Publication Title	Type	Theme	Language
1	Annual Report	Report	Progress Report	English
2	Shirkati Taraqqee	Newsletter	SPO News	Urdu
3	Training Manuals	Manual	Awareness raising	Urdu
	1. Training manual for preventing the violence against women			Urdu
	2. Behavioural Change Communication to end the violence against women			Urdu
	3. Role of Mushaleti Anjumans for preventing violence against women			English
	4. Development Planning and management (DPM)s users manual			Urdu
	5. Effective Advocacy			Urdu
	6. Teachers training manual for trauma counselling			English
	7. Trauma Counselling activities(Khail Khail main seekhain)			
	8. Report writing			
4	Planner 2008	Planner	Awareness and programme promotion	English/urdu
5	"Challenges and Opportunities in the post TRIPS era for Pakistan - An overview of amended Pakistan Patents Ordinance 2000".	Discussion Paper-9		English
6	Five Posters and a sticker	posters	Voters education and awareness	Urdu/regional languages

Long-term Strategic Planning

2008/9-2012/3



7

The long-term planning cycle for the upcoming phase began with stakeholders' workshops at Regional Offices, the National Centre and with the Board. Further brainstorming through written suggestions followed the process on both internal and external vision. The most recent feedback informing the planning process is a joint mid-term review jointly conducted by CIDA and RNE monitors.

Under this strategic plan, SPO plans to broaden its partnership base through mobilizing local institutions, which will include monitoring committees, school management committees, *masalihati anjumans*, *insaf committees*, relief groups, multi-stakeholders' networks, etc. in a more systematic way. A partnership with political workers at district level will help SPO to promote its rights-based agenda in the main political arena.

The plan will facilitate rights-based organizations that are mobilizing communities and working for awareness on rights, to play a more active advocacy role; while CPI trainings, which include in-depth support for developing systems and management to meet standards and requirements of funding agencies, will be organized for service delivery organizations.

Strategic Direction (External Vision)

1. Review partnerships with appropriate strategic organizations in order to achieve the desired change in behavior and living conditions
2. Jointly plan with partner organizations to reach out to marginalized groups for access to social justice to promote social harmony
3. Mainstream gender as a crosscutting theme in all programmes and management
4. Mainstream environment as a crosscutting theme in all programmes
5. Increase access to information through community-rooted knowledge centres on local culture, history, social and political environment, economic opportunities, political education and basic human rights as per the Constitution of Pakistan and national and international covenants
6. Increase the capacity of service delivery organizations, monitoring committees, and school management committees for the provision of quality services in health and education
7. Improve mechanisms for marginalized communities to access justice at grassroots level through local institutions
8. Develop local partnerships for disaster preparedness and timely provision of support for relief and rehabilitation services
9. Increase involvement of local networks in developing new policies and providing ongoing feedback on implementation of existing policies to decision making institutions
10. Select appropriate strategies for each tier of intervention and logically link upward from district to provincial and national levels
11. Improve communication and coordination among strategic partners for the benefit of specific target groups and society at large through effective use of IT and media

3.2 Strategic Direction (Internal Vision):

12. Prioritize self-reliance and Institutional strengthening of SPO through mobilizing indigenous resources
13. Improve regional offices of SPO and develop into community training institutions
14. Continue promoting approaches based on liberalism, multi-cultural work environment, gender-sensitive behavior, values of accountability and transparency within the organization at all levels
15. Enhance learning through research studies and impact assessments to inform long-term planning processes
16. Improve quality of programmes through effective follow up and management

Four -Year Plan 2009 to 2012

After the approval of the Strategic Plan, the four-year plan for the period 2009 to 2012 was also developed by using RBM approach and approval was obtained from the Board of Directors for four major programmes:

1. Democratic Governance Programme
2. Social Justice Programme
3. Peace and Social Harmony Programme
4. Institutional Strengthening of SPO

The Democratic Governance Programme will emphasize mainstreaming of marginalized communities in decision making processes by working towards the realization of basic human rights as described in the Universal Declaration of Human Rights (UDHR) and the Constitution of Pakistan. It will ultimately lead to the next stage of claiming rights from policy and decision making institutions in a democratic manner. This will be achieved through extensive political education through CSNs on a regular basis. The people will be encouraged through education and training to participate fully in all forms of voluntary activities for social development. Youth, the most vibrant section of the society, will also be engaged and mainstreamed in social and political processes through this programme.

The Social Justice Programme will seek to establish and strengthen community-rooted mechanisms in order to secure the well being of people, irrespective of caste, creed, colour or sex, by improving their quality of life. The programme will aim to support mechanisms largely in the public sector, and those devised by the civil society, in the areas of basic education, primary healthcare, livelihood support to women and relief and rehabilitation after natural disasters in areas where SPO works.

The Peace and Social Harmony Programme will encourage civil society networks, faith-based organizations and groups, representing a wide range of stakeholders, to jointly participate in decision-making processes for the protection of basic rights, regardless of religion, language, ethnicity and class

differences. The programme will be based on building social harmony among diversified groups to share and understand each other's point of view and respect differences. The major challenges include the rising sectarian differences and inter-provincial harmony. 'Politics of Consent' will be encouraged, resulting in informed, thoroughly debated, and positive public and policy messages of awareness raising and advocacy.

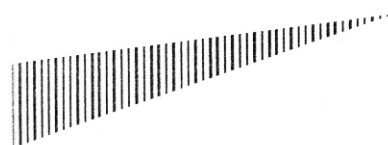
Institutional Strengthening of SPO will continue to be an element of its core activities. There is a need to more efficiently utilize the full potential of SPO's countrywide infrastructure. Being a national organization, SPO faces the challenge of developing programmes and policies that can be evenly implemented across the country. There is thus an ongoing need to promote organizational values and culture among the new and old permanent and project staff in order to develop and maintain a model work ethic that is integral to SPO's neutral image, and for its stakeholders at all levels.

Geographic Locations

The proposed programmes will be implemented in 53 districts and 3 tribal agencies from FATA, which is being treated as one district for planning purposes.

Geographical Coverage

Balochistan (18 Districts)					
Awaran	Bolan	Chaghai	Gwadar	Jaffarabad	Kech
Lasbela	Loralai	Mastung	Naseerabad	Noshki	Khuzdar
Panjgur	Pishin	Quetta	Sibi	Washuk	Ziarat
NWFP (9 Districts and FATA)					
Charsadda	Chitral	Dir	D.I.Khan	Malakand	Mardan
Peshawar	Swat	Shangla	FATA (Khyber, Orakzai and Mohmand Agencies)		
Punjab (14 Districts)					
Bahawalpur	Bhakkar	D.G. Khan	Gujranwala	Khanewal	Khushab
Lahore	Layyah	Lodhran	Mianwali	Multan	Muzaffargarh
Sargodha	Vehari				
Sindh (12 Districts)					
Badin	Hyderabad	Ghotki	Karachi	Matiari	Mirpurkhas
Nawabshah	Shikarpur	Tando Allahyar	Tando M. Khan	Thatta	Umerkot



ERNST & YOUNG

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AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of **Strengthening Participatory Organization (the Company)** as at **30 June 2008** and the related income and expenditure account, cash flow statement and statement of changes in fund together with the notes forming part thereof, for the year then ended and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

It is the responsibility of the Company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

- a) in our opinion, proper books of account have been kept by the Company as required by the Companies Ordinance, 1984;
- b) in our opinion:
 - i) the balance sheet and income and expenditure account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied;
 - ii) the expenditure incurred during the year was for the purpose of the Company's business; and
 - iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company;
- c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, income and expenditure account, cash flow statement and statement of changes in fund together with the notes forming part thereof conform with the approved accounting standards as applicable in Pakistan, and, give the information required by the Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at **30 June 2008** and of the surplus, its cash flows and changes in fund for the period then ended; and
- d) in our opinion no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

ISLAMABAD: 30 AUG 2008

Ford Rhodes Sidat Hyder
CHARTERED ACCOUNTANTS

A member firm of Ernst & Young Global Limited

**STRENGTHENING PARTICIPATORY ORGANIZATION
BALANCE SHEET
AS AT 30 JUNE 2008**

	Note	30 JUNE 2008 Rupees	30 JUNE 2007 Rupees
ASSETS			
NON CURRENT ASSETS			
Tangible fixed assets			
Operating fixed assets	5	55,251,196	61,199,793
Capital work-in-progress	6	629,500	600,000
		<u>55,880,696</u>	<u>61,799,793</u>
CURRENT ASSETS			
Advances, deposit, prepayments and other receivables	7	3,412,810	4,792,785
Short term investment	8	10,000,000	-
Cash and bank balances	9	45,383,083	40,238,201
		<u>58,795,893</u>	<u>45,030,986</u>
TOTAL ASSETS		<u><u>114,676,589</u></u>	<u><u>106,830,779</u></u>
EQUITY AND LIABILITIES			
FUNDS AND RESERVE			
Unrestricted Funds	10	75,653,198	50,533,618
Restricted Funds	10	5,409,104	19,616,245
Capital reserve	11	6,984,060	6,984,060
		<u>88,046,362</u>	<u>77,133,923</u>
DEFERRED GRANTS	12	19,450,083	25,191,626
CURRENT LIABILITIES			
Provision for taxation	13	179,575	585,716
Accrued and other liabilities	14	7,000,569	4,914,778
		<u>7,180,144</u>	<u>5,500,494</u>
COMMITMENTS	15		
TOTAL EQUITY AND LIABILITIES		<u><u>114,676,589</u></u>	<u><u>106,830,779</u></u>

The annexed notes 1 to 23 form an integral part of these financial statements.

FLM

Harris Khebhque
CHIEF EXECUTIVE

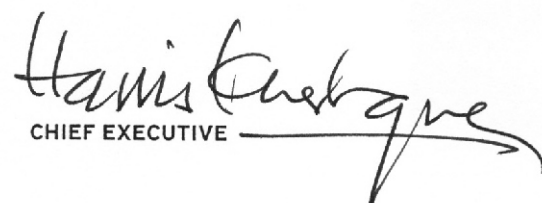
Sadiq
CHAIRPERSON

**STRENGTHENING PARTICIPATORY ORGANIZATION
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2008**

	Note	30 JUNE 2008 Rupees	30 JUNE 2007 Rupees
INCOME			
Grants/Donations	16	219,367,742	173,513,954
Amortization of deferred grant		6,061,449	5,745,444
		<u>225,429,191</u>	<u>179,259,398</u>
EXPENDITURE			
Programme activities:			
Programme expenses	17	(167,065,870)	(122,897,964)
Grants to Community Based Organizations (CBOs)/Others	18	(27,037,088)	(7,490,455)
		<u>(194,102,958)</u>	<u>(130,388,419)</u>
Administrative expenses	19	(22,002,030)	(23,212,881)
		<u>(216,104,988)</u>	<u>(153,601,300)</u>
		<u>9,324,203</u>	<u>25,658,098</u>
OTHER INCOME	20	2,937,185	6,137,826
EXCESS OF INCOME OVER EXPENDITURE		<u>12,261,388</u>	<u>31,795,924</u>
Taxation	21	88,692	(1,440,728)
NET EXCESS OF INCOME OVER EXPENDITURE FOR THE YEAR		<u><u>12,172,696</u></u>	<u><u>30,355,196</u></u>

The annexed notes 1 to 23 form an integral part of these financial statements.

PR*


CHIEF EXECUTIVE

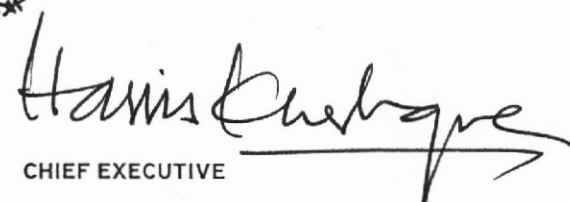

CHAIRPERSON

**STRENGTHENING PARTICIPATORY ORGANIZATION
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2008**

	30 JUNE 2008 Rupees	30 JUNE 2007 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Excess of income over expenditure	12,261,388	31,795,924
Adjustment for:		
Depreciation	7,216,806	7,892,159
Amortization of deferred grant	(6,061,449)	(5,745,444)
Gain on sale of fixed assets	(25,191)	(983,034)
Receivables written off	112,757	351,476
Assets written off	258,750	-
Liabilities no longer payable written back	(308,732)	(165,736)
Unamortized portion of deferred grants on deletion	-	(995,264)
Return on savings accounts	(2,030,100)	(1,452,011)
Operating surplus before working capital changes	<u>11,424,229</u>	<u>30,698,070</u>
Working capital changes:		
Decrease in advances, deposit, prepayments and other receivables	1,140,315	2,619,660
Increase/(Decrease) in accrued and other liabilities	2,472,523	(134,507)
Cash generated from operations	<u>15,037,067</u>	<u>33,183,223</u>
Advance tax paid	(494,833)	(209,883)
Net cash generated from operating activities	<u>14,542,234</u>	<u>32,973,340</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(264,598)	(13,118,040)
Capital work-in-progress	(29,500)	(600,000)
Short term investment	(10,000,000)	-
Proceeds from sale of fixed assets	-	2,203,400
Net cash used in investing activities	<u>(10,294,098)</u>	<u>(11,514,640)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Refund to donors	(1,260,257)	(12,655)
Interest received	2,157,003	1,378,406
Net cash flow from financing activities	<u>896,746</u>	<u>1,365,751</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	<u>5,144,882</u>	<u>22,824,451</u>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>40,238,201</u>	<u>17,413,750</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u><u>45,383,083</u></u>	<u><u>40,238,201</u></u>

The annexed notes 1 to 23 form an integral part of these financial statements.

PR*


CHIEF EXECUTIVE


CHAIRPERSON

**STRENGTHENING PARTICIPATORY ORGANIZATION
STATEMENT OF CHANGES IN FUND
FOR THE YEAR ENDED 30 JUNE 2008**

	Unrestricted funds	Restricted funds	Capital reserve	Total
	-----Rupees-----			
Balance as at 01 JULY 2006	38,492,562	1,314,760	6,984,060	46,791,382
Amount refunded to donors	-	(12,655)	-	(12,655)
Inter transfer at year end	(18,314,140)	18,314,140	-	-
Net excess of income over expenditure for the year	30,355,196	-	-	30,355,196
Balance as at 30 JUNE 2007	<u>50,533,618</u>	<u>19,616,245</u>	<u>6,984,060</u>	<u>77,133,923</u>
Amount refunded to donors	-	(1,260,257)	-	(1,260,257)
Inter transfer at year end	12,946,884	(12,946,884)	-	-
Net excess of income over expenditure for the year	12,172,696	-	-	12,172,696
Balance as at 30 JUNE 2008	<u><u>75,653,198</u></u>	<u><u>5,409,104</u></u>	<u><u>6,984,060</u></u>	<u><u>88,046,362</u></u>

The annexed notes 1 to 23 form an integral part of these financial statements.

FR*


CHIEF EXECUTIVE


CHAIRPERSON

**STRENGTHENING PARTICIPATORY ORGANIZATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008**

1 THE COMPANY AND ITS OPERATIONS

Strengthening Participatory Organization (the Company), was incorporated on January 15, 1994 under Section 42 of the Companies Ordinance, 1984 as a company limited by guarantee, having its registered office in Islamabad. The Company's objectives primarily focus on strengthening indigenous Non Governmental Organizations (NGOs) and Community Based Organizations (CBOs) for rural uplift, community participatory development in the social sector and other welfare activities. The Company receives grants from various national and multinational organizations and then disburses these grants to various CBOs and NGOs for different uplift schemes. The Company has its head office in Islamabad with branch offices in all major cities of Pakistan.

2 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of Accounting and Financial Reporting Standard for Small-Sized Entities (SSEs) issued by the Institute of Chartered Accountants of Pakistan and provision of and directives issued under the Companies Ordinance, 1984. In case requirements differ, the provisions or directives of Companies Ordinance, 1984 shall prevail.

3 ACCOUNTING CONVENTION

The accompanying financial statements have been prepared on the basis of 'historical cost convention' and on accrual basis of accounting.

4 PRINCIPAL ACCOUNTING POLICIES

4.1 Fixed assets

Fixed Assets are stated at cost less accumulated depreciation. Depreciation is charged using straight line method to write off the cost of operating assets over their expected useful life.

An individual asset exceeding Rs. 5,000 in cost is capitalized. Major improvements and repairs are capitalized and normal repairs and maintenance are charged to income as and when incurred.

Profit or loss on disposal of fixed assets is taken to income and expenditure account.

The carrying amount of the Company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment loss. If any such indication exists, recoverable amount is estimated in order to determine the extent of loss, if any. Impairment losses are recognized as expense in the income and expenditure account.

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4.2 Investments

These are stated at cost. Provision for diminution in value is made when the decline is considered permanent by the management.

4.3 Receivables

These are stated at their nominal value as reduced by appropriate provision for debts considered to be doubtful. Known bad debts are written off when incurred.

4.4 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. Cash includes cash in hand, in transit and cash with banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of change in value.

4.5 Provisions

A provision is recognized when, and only when, the enterprise has a present obligation (legal or constructive) as a result of a past event and it is probable (i.e. more likely than not) that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is the present value of out flow of economic benefits expected to be required to settle the obligation.

4.6 Staff retirement benefits - defined contributory plan

The Company operates a defined contribution provident fund scheme for its eligible employees. The fund is unrecognized and fully funded. Contributions are made by the Company and the employees in accordance with the rules of the fund.

4.7 Taxation

Provision for taxation is made at current rate of tax on its income after considering exemptions available to the Company as charitable institution under clause 59 and 60 of Part 1 of the Second Schedule to the Income Tax Ordinance, 2001.

4.8 Deferred grants

Grants for acquisition of fixed assets are recognized as income on a systematic basis over the useful life of asset.

4.9 Income recognition

Donation/grants against specific projects are recognized on receipt basis, whereas, deferred income is directly credited to unrestricted funds and is recognized as mentioned in note 4.9.

Profit on bank deposits and investments is recognized by using the effective interest method.

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4.10 Financial support to Community Based Organizations (CBOs)

Financial support provided to CBOs from the grant funds are charged to income and expenditure account.

4.11 Foreign currency transactions

These financial statements have been prepared in Pak Rupees which is the functional currency of the Company. Foreign currency transactions are translated into Pak Rupees using the exchange rates prevailing at the dates of transactions. Monetary assets and liabilities denominated in foreign currencies are translated into Pak Rupees using the exchange rate at the balance sheet date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations at the year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the profit and loss account.

4.12 Offsetting

Financial assets and financial liabilities are off-set and the net amount is reported in the financial statements only when there is a legally enforceable right to set-off the recognized amount and the Company intends either to settle on a net basis, or to realize the assets and to settle the liabilities simultaneously.

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5 OPERATING FIXED ASSETS

	Note	COST		As at 30 June 2008 (Disposals) / (Adjustment)	As at 01 July 2007	Rate %	Charge for the year	ACCUMULATED DEPRECIATION		As at 30 June 2008	WRITTEN DOWN VALUE As at 30 June 2008
		As at 01 July 2007	Additions					(Disposals) / (Adjustment)	(Disposals) / (Adjustment)		
30 JUNE 2008											
Freehold land		15,437,961	-	-	15,437,961	-	-	-	-	-	15,437,961
Building on freehold land	5.1	20,667,486	9,880	(1,327,523)	19,349,843	5%	2,294,522	(1,327,523)	1,933,997	1,933,997	17,415,846
Electrical appliances and equipment		14,100,477	964,359	(4,727,807)	10,337,029	10%	5,259,526	1,002,805	(4,634,181)	1,628,150	8,708,879
Vehicles		26,324,423	99,980	(11,906,510)	14,517,893	20%	13,750,481	2,903,578	(11,906,510)	4,747,549	9,770,344
Computer equipment		10,178,344	403,150	(4,744,884)	5,836,610	33%	6,299,041	1,889,245	(4,587,015)	3,601,271	2,235,339
Furniture and fixtures		3,909,635	102,399	(1,615,357)	2,396,677	20%	1,814,963	454,180	(1,555,293)	713,850	1,682,827
		90,618,326	1,579,768	(24,322,081)	67,876,013		29,418,533	7,216,806	(24,010,522)	12,624,817	55,251,196
5.1 This includes building in Turbat, constructed on land allotted to the Company by the Government of Baluchistan for establishment of training and technical assistance centre subject to the condition that the land will not be utilized for any other purpose except for which it has been allotted.											
30 JUNE 2007											
Freehold land		15,437,961	-	-	15,437,961	-	-	-	-	-	15,437,961
Building on freehold land	5.1	7,708,636	12,958,850	(415,188)	20,667,486	5%	1,327,523	966,999	(314,011)	2,294,522	18,372,964
Electrical appliances and equipment		14,089,143	426,522	(2,425,715)	14,100,477	10%	4,579,967	993,570	(1,524,755)	5,259,526	8,840,951
Vehicles		28,680,238	69,900	(329,720)	26,324,423	20%	11,906,510	3,368,726	(198,869)	13,750,481	12,573,942
Computer equipment		10,086,724	421,340	(371,961)	10,178,344	33%	4,492,834	2,005,076	(235,482)	6,299,041	3,879,303
Furniture and fixtures		3,997,201	284,395	(3,542,584)	3,909,635	20%	1,492,657	557,788	(2,273,117)	1,814,963	2,094,672
		79,999,903	14,161,007	(3,542,584)	90,618,326		23,799,491	7,892,159	(2,273,117)	29,418,533	61,199,793

	Note	30 JUNE 2008 Rupees	30 JUNE 2007 Rupees
6 CAPITAL WORK-IN-PROGRESS	6.1	629,500	600,000
6.1 This represents payment made to a Contractor for the construction of training halls in Turbat and Multan.			
7 ADVANCES, DEPOSIT, PREPAYMENTS AND OTHER RECEIVABLES			
Advances			
Employees		259,946	579,461
Suppliers		97,941	157,713
		357,887	737,174
Deposit			
Security deposits		461,800	614,400
Prepayments			
Rent		315,273	1,715,800
Insurance		705,172	686,540
		1,020,445	2,402,340
Other receivables			
Return accrued on bank deposits		59,191	186,094
Receivable from Partner NGO's	7.1	1,144,920	115,953
Other receivables		368,567	736,824
		1,572,678	1,038,871
		3,412,810	4,792,785
7.1 This represents receivables from different Partner NGOs/Donors on account of expenses incurred by the Company on their behalf and reimbursement of extra expenditure on programme expenses.			
8 SHORT TERM INVESTMENT	8.1	10,000,000	-
8.1 This represents investment in one year TDRs of Habib bank limited carrying interest rate of 8%			
9 CASH AND BANK BALANCES			
Cash in hand		96,076	181,260
Cash in transit		-	22,281
Cash at bank:			
Current accounts		25,793,595	18,058,565
Savings accounts	9.1	19,493,412	21,976,095
		45,287,007	40,034,660
		45,383,083	40,238,201
9.1 These carry interest ranging from 4% to 9.5% per annum (2007: from 4% to 9.5%).			

10 RECONCILIATION AND ANALYSIS OF FUNDS

	UNRESTRICTED FUNDS				RESTRICTED FUNDS						
	FUND BALANCES		VEHICLE REPLENISHMENT FUND	TOTAL	CIDA	EST DUTCH	ERF	AA	ESRA	NZ-Aid	
	SPO Receipts	SPO TUs									Total
Opening balances	10,223,744	19,562,996	29,786,740	20,746,878	50,533,618	(3,581,682)	10,867,033	(637,140)	(501,408)	2,505,432	(11,680)
Receipts	2,937,185	3,436,182	6,373,367	-	6,373,367	66,236,033	30,147,227	536,517	505,400	1,000,000	-
Grants related to assets	-	-	-	-	-	(694,642)	(42,700)	-	-	-	-
Amortization of deferred grant	6,061,449	-	6,061,449	-	6,061,449	-	-	-	-	-	-
Grant income	8,998,634	3,436,182	12,434,816	-	12,434,816	65,541,391	30,104,527	536,517	505,400	1,000,000	-
Expenditure	(13,539,062)	(7,185,161)	(20,724,223)	-	(20,724,223)	(60,714,004)	(27,681,230)	(391,202)	(291,708)	-	-
Operational (deficit)/surplus	(4,540,428)	(3,748,979)	(8,289,407)	-	(8,289,407)	4,827,387	2,423,297	145,315	213,692	1,000,000	-
Transfer to unrestricted funds regarding the management fee allowed by the donors	13,831,040	6,163,245	19,994,285	7,598,278	27,592,563	(2,480,014)	(2,724,687)	-	(133,998)	-	-
Transfer to unrestricted funds upon closure of the projects	5,816,424	-	5,816,424	-	5,816,424	-	-	-	-	(3,505,432)	11,680
Net surplus/(deficit) for the year	15,107,036	2,414,266	17,521,302	7,598,278	25,119,580	2,347,373	(301,390)	145,315	79,694	(2,505,432)	11,680
Amount refunded to donors	-	-	-	-	-	-	-	-	-	-	-
Closing balances	25,330,780	21,977,262	47,308,042	28,345,156	75,653,198	(1,234,309)	10,565,643	(491,825)	(421,714)	-	-

PAW

RECONCILIATION AND ANALYSIS OF FUNDS

	RESTRICTED FUNDS												
	TAF	DTCE	SDC	PPAF	Plan Pakistan	NDI	SC-UK PCE	ICMC	GCE	UNDP	Oxfam	ERRA	British High Commission
	Opening balances	454,590	-	(526,273)	3,337,318	307,434	1,203,481	727,574	-	432,466	823,723	221,794	(2,238,046)
Receipts	24,033,904	639,009	6,143,963	15,727,800	-	-	901,173	-	340,650	-	-	2,112,949	-
Grants related to assets	-	-	(14,130)	(220,580)	-	-	-	-	-	-	-	-	-
Amortization of deferred grant	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant income	24,033,904	639,009	6,129,833	15,507,220	-	-	901,173	-	340,650	-	-	2,112,949	-
Expenditure	(21,334,001)	(376,095)	(2,964,341)	(16,329,528)	-	-	(1,649,986)	(332,182)	(237,498)	20,000	(303,812)	-	-
Operational (deficit)/surplus	2,699,903	262,914	3,165,492	(822,308)	-	-	(748,813)	(332,182)	103,152	20,000	(303,812)	2,112,949	-
Transfer to unrestricted funds regarding the management fee allowed by the donors	(3,360,104)	(372,403)	(2,809,075)	(567,410)	-	-	(78,800)	(161,400)	-	(20,000)	-	-	-
Transfer to unrestricted funds upon closure of the projects	-	-	-	(307,434)	(1,203,481)	-	-	-	-	(823,723)	-	125,097	(159,276)
Net surplus/(deficit) for the year	(660,201)	(109,489)	356,417	(1,389,718)	(307,434)	(1,203,481)	(827,613)	(493,582)	103,152	(823,723)	(303,812)	2,238,046	(159,276)
Amount refunded to donors	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing balances	(205,611)	(109,489)	(169,856)	1,947,600	(100,039)	(493,582)	535,618	-	-	-	(82,018)	-	-

PAW

RECONCILIATION AND ANALYSIS OF FUNDS

	RESTRICTED FUNDS												
	POH	Open Society	BEF	CWS	CFC	PNF	ASPB AE	CIDA Local Institutive	UNESCO	GTZ	UNICEF-PE	SC UK Relief	Care International
Opening balances	33,170	2,443,425	(253,225)		223,098	(79,315)	300,257	1,759,449	29,216	347,407	1,268,871		
Receipts		5,480,309	5,354,546	15,551,492	800,137		956,028	775,000	27,534	2,964,400	1,762,200	21,963,230	4,604,247
Grants related to assets		(39,838)		(295,280)									
Amortization of deferred grant													
Grant income		5,440,471	5,354,546	15,256,212	800,137		856,028	775,000	27,534	2,964,400	1,762,200	21,963,230	4,604,247
Expenditure		(5,757,686)	(3,603,566)	(12,304,695)	(784,624)		(1,072,502)	(1,671,425)	(31,172)	(2,117,644)	(2,891,951)	(19,400,232)	(4,190,447)
Operational (deficit)/surplus		(317,215)	1,750,980	2,951,517	15,513		(236,474)	(896,425)	(3,638)	846,756	(1,129,751)	2,562,998	413,800
Transfer to unrestricted funds regarding the management fee allowed by the donors		(1,529,051)	(2,354,409)	(2,341,577)	(33,400)		(10,000)	(511,448)		(1,194,163)	(317,145)	(2,399,721)	(414,300)
Transfer to unrestricted funds upon closure of the projects	(33,170)					79,315							
Net surplus/(deficit) for the year	(33,170)	(1,846,266)	(603,429)	609,940	(17,887)	79,315	(226,474)	(1,407,873)	(3,638)	(347,407)	(1,446,896)	163,277	(500)
Amount refunded to donors											(328,294)	(886,138)	
Closing balances		597,159	(856,654)	609,940	205,211		73,783	351,576	25,578		(506,319)	(722,861)	(500)

FDW

RECONCILIATION AND ANALYSIS OF FUNDS

	RESTRICTED FUNDS									
	IOM	RNE Relief	Ahan	OGDCL	SPO Special Grant	SAP PK	CIDA Relief	TOTAL	2008	2007
Opening balances								19,616,245	70,149,863	39,807,322
Receipts	3,483,854	1,538,460	1,148,000	450,000	1,198,850	2,000,000	2,400,000	220,682,912	227,056,279	185,155,337
Grants related to assets						(8,000)		(1,315,170)	(1,315,170)	(1,042,967)
Amortization of deferred grant									6,061,449	5,745,444
Grant income	3,483,854	1,538,460	1,148,000	450,000	1,198,850	1,992,000	2,400,000	219,367,742	231,802,558	189,857,814
Expenditure	(2,366,614)	(1,669,463)	(1,130,041)	(320,011)	(141,438)	(4,521,411)	(2,345,130)	(198,905,639)	(219,629,862)	(159,502,618)
Operational (deficit)/surplus	1,117,240	(131,003)	17,959	129,989	1,057,412	(2,529,411)	54,870	20,462,103	12,172,696	30,355,196
Transfer to unrestricted funds regarding the management fee allowed by the donors	(1,071,415)		(470,191)		(995,626)	(1,040,226)	(202,000)	(27,592,563)		
Transfer to unrestricted funds upon closure of the projects								(5,816,424)		
Net surplus/ (deficit) for the year	45,825	(131,003)	(452,232)	129,989	61,786	(3,569,637)	(147,130)	(12,946,884)	12,172,696	30,355,196
Amount refunded to donors	(45,825)							(1,260,257)	(1,260,257)	(12,655)
Closing balances		(131,003)	(452,232)	129,989	61,786	(3,569,637)	(147,130)	5,409,104	81,062,302	70,149,863

FDW

	30 JUNE 2008 Rupees	30 JUNE 2007 Rupees
11 CAPITAL RESERVES	6,984,060	6,984,060
This represents reserve created on transfer of free of cost fixed assets to the Company from Small Project Offices on 15 January 1994.		
12 DEFERRED GRANTS		
Balance at the beginning of the year	24,196,362	29,894,103
Additions during the year	1,315,170	1,042,967
	25,511,532	30,937,070
Amortization of deferred grant	12.1 6,061,449	5,745,444
	19,450,083	25,191,626
12.1 Amortization of deferred grant		
Depreciation charge for the year	5,726,302	5,745,444
Written down value of assets disposed off	335,147	-
	6,061,449	5,745,444
13 PROVISION FOR TAXATION		
Provision for taxation	2,129,420	2,040,728
Advance income tax	(1,949,845)	(1,455,012)
	179,575	585,716
14 ACCRUED AND OTHER LIABILITIES		
Accrued liabilities		
Accrued expenses	100,021	666,705
Other liabilities		
Employees' Provident Fund	1,821,828	1,136,894
EOBI	322	42,900
Directors	-	1,455
Tax deducted at source	21,482	(7,921)
Others	14.1 5,056,916	3,074,745
	6,900,548	4,248,073
	7,000,569	4,914,778
14.1 This represents amount due to Partner NGOs for travelling, accomodation and food expenses incurred by them on tranings held at different regions and to suppliers against office expenses.		
15 COMMITMENTS	15.1 1,800,500	-
15.1 Commitments to different C.B.O's/N.G.O's in respect of Social Sector Funding projects.		
16 GRANTS/DONATIONS		
Canadian International Development Agency (CIDA)	66,236,033	59,941,009
Royal Netherlands Embassy (RNE)	30,147,227	41,056,512
Emergency Relief Fund (ERF)	536,517	68,098
Action Aid Funds Pakistan (AAP)	505,400	455,804
Save the Children (SC) -UK CEF (Coalition for Education Fund)	21,963,230	3,941,289
The Asia Foundation (TAF)	24,033,904	4,001,439
Pakistan Poverty Alleviation Fund (PPAF)	15,727,800	8,807,200
Save the Children (SC) -UK -PCE Project	901,173	3,431,298
Church World Services (CWS)	15,551,492	153,393
Global Campaign for Education (GCE)	340,650	420,270
Earthquake Reconstruction and Rehabilitation Authority (ERRA)	2,112,948	6,337,496
Canadian International Development Agency (CIDA) Local Initiative	3,175,000	4,650,000
	181,231,374	133,263,808

	Note	30 JUNE 2008 Rupees	30 JUNE 2007 Rupees
	bal b/f	181,231,374	133,263,808
Foundation for Open Society		5,480,309	5,318,480
Concern for children (CFC)		800,137	443,850
United Nations Educational, Scientific and Cultural Organisation (UNISECO)		27,534	271,305
Gesellschaft fur Technische Zusammenarbeit (GTZ)		2,964,400	1,000,000
Asian south Pacific Bureau of Adult Education (ASBPAAE)		856,029	1,063,561
Care International Pakistan		4,604,247	-
International Organisation for Migration		3,483,854	-
SPO special grants		1,198,850	-
South Asia Partnership-Pakistan SAP-PK		2,000,000	-
Oil and gas devolpment company limited (OGDCL)		450,000	-
Aik Hunar Aik Nagar (AHAN)		1,148,000	-
Royal Netherlands Embassy (RNE) Relief Project		1,538,460	-
United Nations Children Fund (UNICEF-Primary Education)		1,762,200	1,307,200
Baluchistan Education Foundation (BEF)		5,354,546	2,628,513
Devolution Trust for Community Empowerment (DTCE)		639,009	2,192,475
Swiss agency for Development and Cooperation (SDC)		6,143,963	8,739,936
Education Structure Reform Assistance (ESRA)		1,000,000	6,631,934
New Zealand-Aid (NZ-Aid)		-	2,484,168
Plan Pakistan (Plan)		-	566,797
Polish Humanitarian Organization (POH)		-	720,107
British High Commission		-	1,813,480
National Democratic Institute for International Affairs (NDI)		-	2,180,367
United Nations Development Programme (UNDP)		-	3,727,500
Oxfam Great Britain (OGB)		-	203,440
		220,682,912	174,556,921
Grants related to assets		(1,315,170)	(1,042,967)
		219,367,742	173,513,954
17 PROGRAMME EXPENSES			
Salaries and benefits	17.1	78,853,053	61,314,639
Traveling and conveyance		21,848,850	20,339,781
Vehicles' running and maintenance		3,032,043	10,378,562
Office rent		3,485,321	2,834,931
Office supplies		3,291,056	4,701,133
Resource materials and publications		2,123,324	2,413,627
Training and development		22,334,317	16,238,085
Material Supplies		24,416,975	2,057,828
Monitoring, evaluation and reporting		6,905,372	1,624,728
Maintenance and renovation		775,559	994,650
		167,065,870	122,897,964
17.1 This includes a sum of Rs. 3,124,200/- (2007: Rs. 3,020,678/-) on account of the remuneration of the Chief Executive and Rs. 4,564,079/- (2007: Rs. 4,177,515/-) related to staff retirement benefits.			
18 GRANTS TO COMMUNITY BASED ORGANIZATIONS (CBOs) / OTHERS			
Social sector funding	18.1	26,162,668	6,395,546
Choti funding	18.1	874,420	1,094,909
		27,037,088	7,490,455
18.1 This represents grants to CBOs in respect of agriculture and livestock, basic education, primary health care, environment, governance and other welfare/social activities in accordance with policies of the Company. The total number of CBOs to whom grant were disbursed during the year are 200 (2007: 113) and the amount of grant ranges between Rs. 10,000/- and Rs.650,000/- (2007: Rs.10,000/- and Rs.650,000/-).			

PRM

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PRM

	Note	30 JUNE 2008 Rupees	30 JUNE 2007 Rupees
19 ADMINISTRATIVE EXPENSES			
Telephone and postage		3,643,076	3,345,117
Office rent		1,440,000	1,440,000
Utilities		2,257,921	2,047,793
Maintenance and renovation		1,261,576	1,991,477
Office Security		1,200,707	1,044,580
Legal and professional charges		424,247	529,899
Depreciation		7,216,806	7,892,159
Audit fee		250,000	220,000
Receivables written off		112,757	351,476
Assets written off	19.1	258,750	-
Loss from Training Units	19.2	3,748,978	4,267,328
Miscellaneous expenses		187,212	83,052
		<u>22,002,030</u>	<u>23,212,881</u>

19.1 This represents written down value of assets which were stolen and damaged during the year.

19.2 Loss from Training Units

Expenses for the year	7,185,160	8,727,918
Income for the year	(3,436,182)	(4,460,590)
	<u>3,748,978</u>	<u>4,267,328</u>

20 OTHER INCOME

Return on savings accounts	2,030,100	1,452,011
Return on investments in TDR's	265,384	-
Gain on sale of fixed assets	-	983,034
Depreciation expense wrongly booked in previous periods	25,190	-
Unamortized portion of deferred grants on deletion	-	995,264
Liabilities no longer payable written back	308,732	165,736
Miscellaneous receipts	307,779	2,541,781
	<u>2,937,185</u>	<u>6,137,826</u>

21 TAXATION

Current	88,692	617,638
Prior	-	823,090
	<u>88,692</u>	<u>1,440,728</u>

22 NUMBER OF EMPLOYEES


Number of employees as at balance sheet date were 167 (2007: 218).

23 DATE OF AUTHORIZATION

The financial statements were authorized for issue on _____ by the Board of Directors of the Company.

FRS*


CHIEF EXECUTIVE


CHAIRPERSON