



**Partnering the Grass-roots  
and the State**



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Annual Report July 2016 - June 2017

Published by Strengthening Participatory Organization

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# Acronyms

AAC	AAWAZ AAGAHl Centre
AJK	Azad Jammu and Kashmir
ALNAP	Active Learning Network for Accountability and Performance
ALWG	Accountability Learning Watch Group
AUF	AAWAZ Union Council Forum
AVF	AAWAZ Village Forum
BCS	Beneficiary Communication System
BHC	British High Commission
BHRN	Balochistan Humanitarian Response Network
BoD	Board of Directors
CBO	Community-Based Organization
CE	Chief Executive
CHC	Canadian High Commission
CIDA	Canadian International Development Agency
CPI	Community Physical Infrastructure
CR	Conflict Resolution
CRG	Constituency Relations Group
CRM	Children's Rights Movement
CSN	Civil Society Network
CSO	Civil Society Organization
DAI	Development Alternatives Incorporated
DDF	Dera Development Forum
DFID	Department for International Development
DG	Democratic Governance
DPM	Development Planning and Management
DPRD	Disaster Preparedness and Response Department
DSC	District Steering Committee
DTC	District Technical Committee
ECP	Election Commission of Pakistan
EMC	Education Monitoring Committee
FATA	Federally Administered Tribal Areas
FGD	Focus Group Discussion
FRs	Frontier Regions
GB	General Body
HAP	Humanitarian Accountability Partnership
HMC	Health Monitoring Committee
HR	Human Resource
HR	Human Rights
HRDs	Human Rights Defenders

# Acronyms

IEC	Information Education and Communication
IHI	Insani Huqooq Ittehad
IOM	International Organization for Migration
LEP	Livelihood Enhancement and Protection
LSO	Local Support Organization
LTEOOP	Long Term Election Observation and Oversight in Pakistan
MDGs	Millennium Development Goals
MNA	Member of National Assembly
MNH	Maternal and New-born Health
MPA	Member Provincial Assembly
NDMA	National Disaster Management Authority
NGO	Non-Government Organization
NHN	National Humanitarian Network
OM	Organizational Management
PDC	Participatory Development Coalition
PPAF	Pakistan Poverty Alleviation Fund
PSC	Provincial Steering Committee
PWGs	Policy Working Groups
RCA	Research Campaigning and Advocacy
SPM	Sectoral Planning and Management
SPO	Strengthening Participatory Organization
SDE	Social Development Enterprise
ToT	Training of Trainers
UC	Union Council
UDHR	Universal Declaration of Human Rights
USAID	United States Agency for International Development
VOs	Village Organizations
Wos	Women Organizations



# Prologue by the Chairperson

Looking back at the 12 months of SPO's work in its 23rd year, one is once again made humble and proudly conscious of how one organization interacts closely with the two edges of country spectrum - poor or disadvantaged communities on the one hand, and, on the other, official institutions.

We continuously address the challenge of effective communication and co-ordination with the two inherently different spheres. Often we are required to mediate between community groups with contrary and sometimes strongly conflicting interests. In the state sector as well, there are unavoidable differences in perceptions and assessments by multiple departments at the local, provincial and federal levels.

Searching for, and formulating a middle ground that enables viable and productive outcomes on both vertical and horizontal level is an educative and enriching experience for both the full - time staff and for the volunteer - members of SPO.

The sectors of our work are vividly diverse and our engagements in each sector are robustly active from advocacy of human rights to training of midwives; from enrolling adolescent girls in schools to combating extremism and violence.

I hope this report provides relevant and useful information to the reader about an eventful year in supporting Pakistan's development process.

Senator® Javed Jabbar  
Chairperson



# From the Chief Executive's Desk

More than 20 years ago, SPO emerged into a national not-for-profit institution, with a goal to strengthen and support community organizations and public interest institutions for the sustainable development of deprived individuals, families and marginalized societies of Pakistan. Looking at the history of the organization today and its accomplishments, I feel extremely gratified to have been part of such an enriching and inspiring institution, as the CE, for over eight years. SPO has not only broadened the scope of its work during these years but has further deepened the level of engagement with grassroots communities.

Over the past years, SPO's thematic focus on the citizen's engagement component has cascaded from the district to the grassroots level. With this broader spectrum of audience and outreach available, SPO has enabled itself to strengthen local voices for demand articulation on basic human rights as delineated in the Constitution of Pakistan and the international covenants ratified by Pakistan. The organization in previous years successfully worked with the State of Pakistan to formulate National Human Rights Policy Strategy and National Plan of Action on Human Rights and this year was successful in assisting the Government of Punjab to formulate Punjab Human Rights Policy Strategy and Framework; indeed a huge achievement by the organization.

With the completion of last year of successful AAWAZ programme, SPO's focus on the district level stakeholders, i.e., rights-holders (mostly the district leadership) and duty-bearers has extended to the village level engagement with formal and informal leadership, and the general public. An external evaluation rating of AA+ by DFID is a glaring evidence of this success.

Resultantly, SPO's programmatic focus on the conflict resolution component has a larger magnitude now. With this, SPO is now geared up to seek amicable and lasting solutions to the disputes and conflicts at the grassroots in order to shift local communities' focus and energies to their real developmental needs and priorities.

The gender component, which used to be treated as a cross-cutting theme, has also emerged as a direct focus area of SPO, with grassroots interventions designed to enhance women's political participation. The village level interventions designed and delivered to strengthen women's voices, provide a platform to harness enhanced recognition and receptivity for women's participation in social, economic and political affairs, equally, freely and meaningfully.

SPO believes itself to be a learning organization and therefore aspires to further sharpen its research, project design, development, management, monitoring and reporting, and human resource management capacities, in a bid to achieve excellence.

SPO credits its success to its programme partners for their commitment, its funding partners for their unwavering support, and the volunteers and staff for their relentless dedication and perseverance in pursuing SPO's mission. Lastly, my heartfelt gratitude to all those who support SPO's vision for a just and tolerant society characterized by the truest essence of democracy and good governance.

Naseer Memon  
Chief Executive



# Origins, Values and Governance of SPO

In 1987, the Small Projects Office was established by Canadian International Development Agency (CIDA), which was ably led first by Dr. Remelt C. R. Hummelen and then by Dr. Ralph McKim. In 1993, Dr. Ralph McKim sought help from three leading development practitioners of Pakistan, namely, Senator (R) Javed Jabbar, Dr. Tariq Banuri and Ms. Ferida Sher to transform the Small Projects Office into an indigenous Pakistani Non-Government Organization (NGO). Responding affirmatively, these three eminent individuals formed a GB comprising other renowned Pakistanis, all of whom agreed to serve on a voluntary basis. With their support smooth transformation was conducted of the Small Projects Office into "Strengthening Participatory Organization" (SPO) on 15th January 1994. An efficient transformation programme including a development plan was carefully conceived and executed, this laid the foundation of a national rights-based CSO. As a result of this, today, in 2016 SPO enjoys credibility among donors, peers and partners as well as the focus institutions, communities and individuals. SPO is seen as a leading advocate of citizens' rights and their responsibilities. SPO maintains a presence in over 75 districts of the country. Since 1994, SPO has been led and staffed by able Pakistanis.

Over the past 23 years, the initially identified set of values of the new organization named "Strengthening Participatory Organization" have been prudently translated into tangible action through systematic and sustained application. The foundational values of SPO as spelt out at the outset, include:

1. Equality of participation in membership of the GB and BoD of SPO on a voluntary basis from all four Provinces and participation from other areas, e.g. Federal Capital Territory.
2. Representation of membership from

4. Practice of democratic principles and processes.
5. Holding of the individual offices such as the Chairperson and Vice-Chairperson in the BoD by rotation between the Provinces while ensuring that office holders have relevant individual capacity to fulfil their specific responsibilities.
6. Maintaining a fine balance between, on the one hand, stewardship and oversight through Policy Guidance by the GB and the BoD without, on the other hand, becoming obstructive and micro-managerial.
7. Enforcing strict compliance of the Code of Conduct by volunteer members so as to prevent possible misuse of facilities and resources.
8. Encouraging participation in the GB, BoD and the management of individuals from religious and ethnic minorities on the basis of merit and competence.
9. Convening quarterly meetings of the BoD, as often as is practical, at locations in all four Provinces rather than only at the National Centre of SPO in Islamabad, in order to maintain contact with partner communities and organizations at the grassroots level
10. Inflexible practice of optimal transparency and accountability in all financial aspects of the organization

Over the past twenty years, the practice of the above foundational values has supported the dedicated and capable full-time management team at SPO so as to steadily and successfully expand and coordinate the significant growth of SPO.



# Members, BoD

1. **Senator (r) Javed Jabbar,**  
(Sindh Province) Chairperson
2. **Dr. Tufail Mohammad Khan,**  
(KP Province) Vice Chairperson
3. **Advocate Parveen Akhtar,**  
(KP Province) Member
4. **Dr. Taj Baloch,**  
(Balochistan Province) Member
5. **Sister Naseem George,**  
(Punjab Province) Member
6. **Ms. Neelam Hussain,**  
(Punjab Province) Member
7. **Ms. Arifa Mazhar,**  
(Federal Capital Area) Member
8. **Ms. Rukhshanda Naz,**  
(KP Province) Member
9. **Ms. Farida Tahir Noshervani,**  
(Balochistan Province) Member
10. **Syed Abid Rizvi,**  
(Punjab Province) Member
11. **Ms. Sadiqa Salahuddin,**  
(Sindh Province) Member
12. **Ms. Zeenat Yaqoob Yousufzai,**  
(Balochistan Province) Member
13. **Mr. Naseer Memon,**  
(Ex-Officio) Chief Executive



BoD of SPO with Speaker Baluchistan Assembly, Ms. Raheela Durrani at Assembly Building, Quetta on 1st April, 2017



A Successful female Taxi Driver in District Karrak due to SPO's interventions

# SPO General Body

## FEDERAL CAPITAL TERRITORY – ISLAMABAD:

- i) Ms. Tahira Abdullah
- ii) Ms. Naheed Aziz
- iii) Ms. Arifa Mazhar
- iv) Prof. Dr. Karamat Ali

## KP:

- i) Dr. Shaheen Sardar Ali Khan
- ii) Mr. Muhammad Rafiq
- iii) Dr. Tufail Mohammad Khan
- iv) Ms. Rukhshanda Naz
- v) Advocate Parveen Akhtar

## PUNJAB:

- i) Ms. Ferida Sher
- ii) Mr. Vincent A. David
- iii) Syed Abid Rizvi
- iv) Ms. Neelam Hussain
- v) Ms. Parveen Ghauri
- vi) Sister Naseem George

## SINDH:

- i) Senator (r) Javed Jabbar
- ii) Ms. Sadiqa Salahuddin
- iii) Prof. Tanveer Junejo
- iv) Advocate Kalpana Devi

## BALUCHISTAN:

- i) Ms. Zeenat Yaqoub Yousafzai
- ii) Mr. Mohammad Amin
- iii) Ms. Farida Tahir Nowsherwani
- iv) Dr. Allah Dad Looni
- v) Dr. Taj Baloch

# SPO's Governance

During the period July 2016 to June 2017, four Meetings of the Board of Directors (at Swat, Sargodha, Khairpur, Quetta and Islamabad) and one Annual General Meeting took place in Islamabad. Major decisions taken by the Members in these Meetings include:

- Approval of the Annual Progress Report and Audited Accounts for the period 2015-16
- Approval of the Annual Work Plan and Budget 2016-17
- Approval of the appoint of M/s Ernst & Young - Ford Rhodes Sidat Hyder & Company as the external auditors for the period 2016-17.

# SPO Internal Audit Committee

## **PURPOSE**

To assist the General Body and Board of Directors to oversee the financial reporting process, the system of internal control, the audit process, and the Company's process for monitoring compliance with laws and regulations and the Code of Conduct.

## **COMPOSITION**

The Audit Committee comprises four Members from the Board of Directors and the Internal Auditor. The Board appoints the Committee for a three-year term. In addition, the Chairperson, the Chief Executive and the Company Secretary also attend these meetings.

The Audit Committee presently comprises of following Members:

1. Ms. Sadiqa Salahuddin, Convener
2. Dr. Karamat Ali, Member
3. Syed Abid Rizvi, Member
4. Ms. Arifa Mazhar, Member
5. The Internal Auditor
6. Ex - Officio, Chairperson
7. Ex - Officio, Chief Executive

# Thematic Focus

Over the past 23 years, SPO has become a leading Pakistani rights-based CSO in terms of country wide presence and outreach. SPO's mission is 'to strengthen and support Community-Based Organizations (CBOs) and public interest institutions to help achieve and protect the basic human rights of women, girls, children, minorities and other marginalized segments'. SPO implements a wide range of small-, mid- and long-term projects in 75 districts, 2 Tribal Agencies of the Federally Administered Tribal Areas and 4 Frontier Regions. Seeking light from its stated

objectives, SPO advocates protection and promotion of democratic norms, social harmony and gender justice and also provides relief and rescue services besides creating Community Physical Infrastructure (CPI) and livelihood opportunities for the communities prone to nature and human-induced hazards. SPO's most significant strengths lie in its GB, BoD and its full time staff team comprising 197 staff and 3,500 nationwide partners including youth, women and minority organizations/networks, think tanks, social and political activists and political leaders.



# Democratic Governance

Under its 'Democratic Governance' component, SPO envisions a people-centric state that meaningfully responds to the citizens' expressed voice. In Pakistan, it is the collective ignorance of citizens that prevents them from holding the state to account. Citizens generally lack awareness regarding their primary rights as articulated in the Constitution of Pakistan and enunciated in the Universal Declaration of Human Rights (UDHR). In

an attempt to bring legitimacy, relevance and worth to the citizens' expressed voices, SPO on one hand advocates the use of means of impactful demand. Articulation by the general public wherein the partner CSOs play the role of the catalyst, and, on the other, SPO works with state level institutions to promote practices that respond positively to citizens' legitimate needs.





# Peace and Harmony

Under the 'Peace and Harmony' component, SPO fosters pluralism as a counter-narrative to the elements which instigate polarization and radicalization of society. Respect for differing ideologies is harnessed through a multi-tiered discourse between, and among various groups of the citizenry as well as political and religious factions. Bonding is developed through dialogue

among major stakeholders including, but not limited to various faith-based groups and institutions, political parties, ethnic groups and a cross-section of society consisting of people from urban and rural parts of the country. The basic idea behind enabling discourse between people is to cultivate appreciation for diversity of colour, creed, ethnicity and language.



# Social Justice

Under the 'Social Justice' component, SPO mobilizes to form and capacitate cadres of women change-agents among the underserved, particularly those living under the perpetual servility of the land and brick kiln mafias. Further, these informed cohorts of women are assisted technically and financially to form organizations comprising all women in their communities. Subsequent to that to provide them with basic literacy, health and hygiene and life skill-trainings. In order to bring effectiveness to the collective

voices of Women Organizations (WOs), SPO forms district level Health Monitoring Committees (HMCs) and Education Monitoring Committees (EMCs). These committees then advocate education and healthcare-related issues facing WO and their respective communities with government line departments and elected political representatives. Through such endeavours, the traditionally excluded segments' access to basic civic amenities besides their social inclusion, is ensured.



# Humanitarian Response

The 'Humanitarian Response' component has been designed to offer customized interventions in pre, during and post-disaster situations. The range of initiatives undertaken, depending on the nature and scope of actual or unforeseen hazards include disaster preparedness and mitigation, emergency relief, early recovery and rehabilitation. The specific interventions are

designed keeping in view the most prioritized needs of target audiences. In conjunction with hard-core service delivery initiatives undertaken on the ground, linkages are built in the form of establishing or hosting or establishing as well as hosting humanitarian networks working to achieve policy and governance reforms aimed at building resilience among the people.



# Institutional Support

The 'Institutional Support' component helps the staff excel in their respective pathways to ultimately contribute to the growth, success and greater impact of the organization's spadework. Likewise, within the realm of this particular component, SPO constantly invests in upgrading, fine-tuning, customizing and obtaining more sophisticated programme, planning,

management, reporting, monitoring and analysis as well as human resource and financial management tools, techniques and applications. SPO constantly fosters a healthy competitive milieu at the workplace that allows adequate time, resource and space to its staff to generate fresh and innovative ideas and transform them into cost-effective community-centric interventions.



# Programmes and Projects in 2016-2017

Presently, SPO is implementing one long-term programme besides 20 small to mid-term projects in 72 districts, 2 Tribal Agencies of Federally Administered Tribal Areas (FATA), and 4 Frontier Regions (FRs). The donors of these programs and projects include the British High Commission (BHC), Department for International Development (DFID) of the British Government, The United States Agency for International Development

(USAID), National Endowment for Democracy (NED), Pakistan Poverty Alleviation Fund (PPAF), Swiss Development Corporation (SDC), Creative Associates, Packard Foundation, International Organization for Migration (IOM), United Nations International Children's Emergency Fund (UNICEF), Gender Equity Program (GEP) and Care International Pakistan. One major programme presently being implemented include:





# Strengthening Voice and Accountability in Pakistan (AAWAZ)

The AAWAZ Voice and Accountability Program is a five-year (May 2012 – May 2017), £34 million DFID-funded programme now extended to May 2018. The programme is implemented across 4,500 villages in 45 districts (26 in Punjab and 19 in Khyber Pakhtunkhwa) of Pakistan by a consortium of four national-level rights-based civil society organizations (SPO, AF, SAP-PK, SDF) and an international development company, DAI, as the management organization. The programme is anchored and steered by organized, capacitated, sensitized and vigilant citizens' structures namely AAWAZ forums at village, UC District, provincial and national levels. AAWAZ aims to contribute to a stable, inclusive and tolerant democracy in Pakistan by achieving following four objectives:

1. Women better able to participate safely in politics and in public spaces at federal, provincial and local levels in Khyber Pakhtunkhwa (KP) and Punjab.
2. Citizens and communities better able to resolve disputes peacefully, and work together for common solutions in KP and Punjab.

3. Women and other excluded groups better able to demand improved delivery of services in KP and Punjab.
4. Improved evidence generated, synthesized and communicated/championed to political leaders/elites in KP and Punjab.

Of 45 AAWAZ districts, SPO has been responsible for direct implementation of the programme in 13 districts of Punjab and KP provinces supervised through its 4 regional offices based in Lahore, Multan, DIK and Peshawar with technical assistance from the National Centre at Islamabad.

SPO's districts have 1471 AAWAZ forums at village, UC, district levels with 50,450 members (25799 male and 24604 females) including religious minorities, people with disabilities (PWDs) and transgender community. AAWAZ forums remain functional and actively engaged with state institutions to demand their rights and fulfill their responsibilities – reflecting the durability of relationships through regular interaction.



# Progress in year 5 (2016-2017)

AAWAZ touched horizons of high performance and consolidation of programme interventions during the implementation year-5 and made considerable progress in reaching out to the poorest, marginalized, women, youth, people with disabilities and the transgender community. In the wake of annual evaluation of the programme by DFID, AAWAZ programme got A++ overall score by achieving milestones exceeding expectation. A large number of citizens including women,

religious minorities and PWDs were engaged and trained as leaders in their communities. The program made significant in-roads in improving knowledge, attitude and practices regarding women's leadership, mainstreaming of religious minorities and marginalized groups, a safe and tolerant society and stream-lined result-oriented engagement between citizens and government for better access to social services.

## Main Focus and Key Achievements of the Year

**Women and excluded groups** including minorities, people with disabilities (PWDs) and the transgender community began to assume leadership and frontal roles in AAWAZ forums, Women Assemblies, as Resource Persons of AAWAZ Aagahi Centers and in engagement with government officials in Khuli Kacheries etc. For nurturing women leadership, Women Assembly members went through sessions on parliamentary terminology such as the Finance bill, caucus, Adjournment motion etc, gender - response budgeting and shadow budget, communication and negotiation skills and media-handling and Sustainable Development Goals (SDGs).

**Youth Circle of Influence:** interventions for engaging youth to counter violent extremism, hate speech and violence against women intensified. Literate, and other youth from both genders were mobilized for immersion into debating cultural and structural under pinnings of violence. They made pledges to make spaces safe for women and minorities.

**Early Warning Systems (EWS):** strengthened for conflict pre-emption and social harmony by

revisiting conflict-mapping and capacity-building for peace connections through the Peer Learning process and Multiple Identities (MI) training. Peer Learning is a process whereby initially the peace connectors of intra-sectarian or religious groups immerse in internal group reflection and then dialogue takes places between sectarian or religious groups at peace building events.

**AAWAZ District Forums (ADFs)** as inclusive and representative citizens' platforms further capacitated and empowered by leading district programming and advocacy initiatives. ADFs initiated and focused District Advocacy campaigns in 13 districts covering a range of public policy implementation issues such as CNIC and voter registration, display of Harassment Act 2010 women-related work-places, women's desk in police stations, education, health, WASH and other social services. Using conflict-mapping data of villages, ADFs held multi-stakeholder dialogues and peace-building events to pre-empt VAW, inter-faith, sectarian conflicts. Based on consolidated Village Development Plans and prioritized needs, ADFs held Khuli Kacheries at UC and district levels with special focus on the needs of women, minorities and PWDs.



**AAWAZ Aagahi Centers'** play a central role in creating safe spaces for women and minorities to become engaged with each other and with government line agencies. Building on their success, AACs were further improved as a result of sustained investment in the capacity-building of Resource Persons of AAWAZ Aagahi Centers (AACs) with training on anti-women practices such as early child marriages, VAW and RTI etc.

**Gender Road Map (GRM)** as an experimental initiative was conducted in selected districts with 42 couples in districts Mianwali, Multan and DIK. This is a promising tool for achieving gender-sensitivity at household level and for curbing VAW. The willing couples went through a process of a baseline survey, becoming familiar with gender concepts and action-reflection sessions to improve gender roles in the family.

**Citizens' voices for strengthening accountability processes** intensified through enhanced

understanding of AAWAZ forums about district-level budgetary processes and government response by formally incorporating over 500 identified and prioritized schemes of AAWAZ forums in Annual District Plan. Khuli Kacheries (Open Assemblies) of citizens' engagement with state functionaries continue to prove effective mechanisms raising voices on issues of social services and holding government functionaries to account.

**Sustainable Development Goals (SDGs) Road Map** for Pakistan was deliberated by national civil society organizations, INGOs, UNDP organizations, concerned ministries and legislators in a national conference held by SPO in Islamabad in November 2016. The purpose of the event was to bring key national stakeholders together to critically review and recommend national strategies for achieving targets of the Sustainable Development Goals based on the learnings of MDGs.





# Output-1:

## Women better able to participate safely in politics and in public spaces at federal, provincial and local levels in Khyber Pakhtunkhwa (KP) and Punjab.

The goal to groom women for leadership through AAWAZ remained the focus of activities throughout the year. In SPO's 13 AAWAZ districts, around 146,000 women actively participated in AAWAZ forums, Women Assembly meetings and public events such as Khuli Kacheries. The process has encouraged around 5000 women to hold decision-making positions in AAWAZ forums. Over 25,000 women were registered for CNIC, and as in voters. As a result of women's political participation, some 800 women and religious minority members emerged as Local Government council members. Even state institutions have started to recognize the leadership potential and contribution of AAWAZ community women. For instance, a Women Assembly member has been awarded membership of the first Women Protection Center of Pakistan established in Multan.

Over 200 training sessions on Jamhoorat Angan Sey Aiwaan Tak- JASAT-II "Democracy from home to Parliament" for women of AAWAZ village forums were held which covered contents on gender & sex, masculinity, anti-women practices, violence against women and non-violent communication. And in the study circles being held at AAWAZ Aagahi Centers, monthly sessions continued to cover the topics of women's rights, early marriages and gender-based violence. The case studies reveal that learning from such sessions has encouraged most women to raise their voices and women break the cycle of violence at household and communal levels. Also, for creation of an enabling environment and safe spaces and promote and protect women's rights, AAWAZ districts launched campaigns and events on national and international Women's Days

including 16 days of activism, simultaneously held on 12 February and 8th March.

AAWAZ Women Assembly (WA) members went through training sessions and mock sessions of parliamentarian proceedings and appropriate language-use, gender-response budgeting, budget -making processes and Sustainable Development Goals. Women Assembly member's initiatives and engagement with government through a charter of demands helped resolve women-specific social service delivery issues.

Besides, a group of 20 community leaders representing all consortium partners' districts (4 from SPO) participated in an orientation visit to Sri Lanka to meet with community leaders and organizations working for human rights, peace-building and women's political participation. The group also visited a community organization working for reforms in Muslim families and for VAW&Gs.

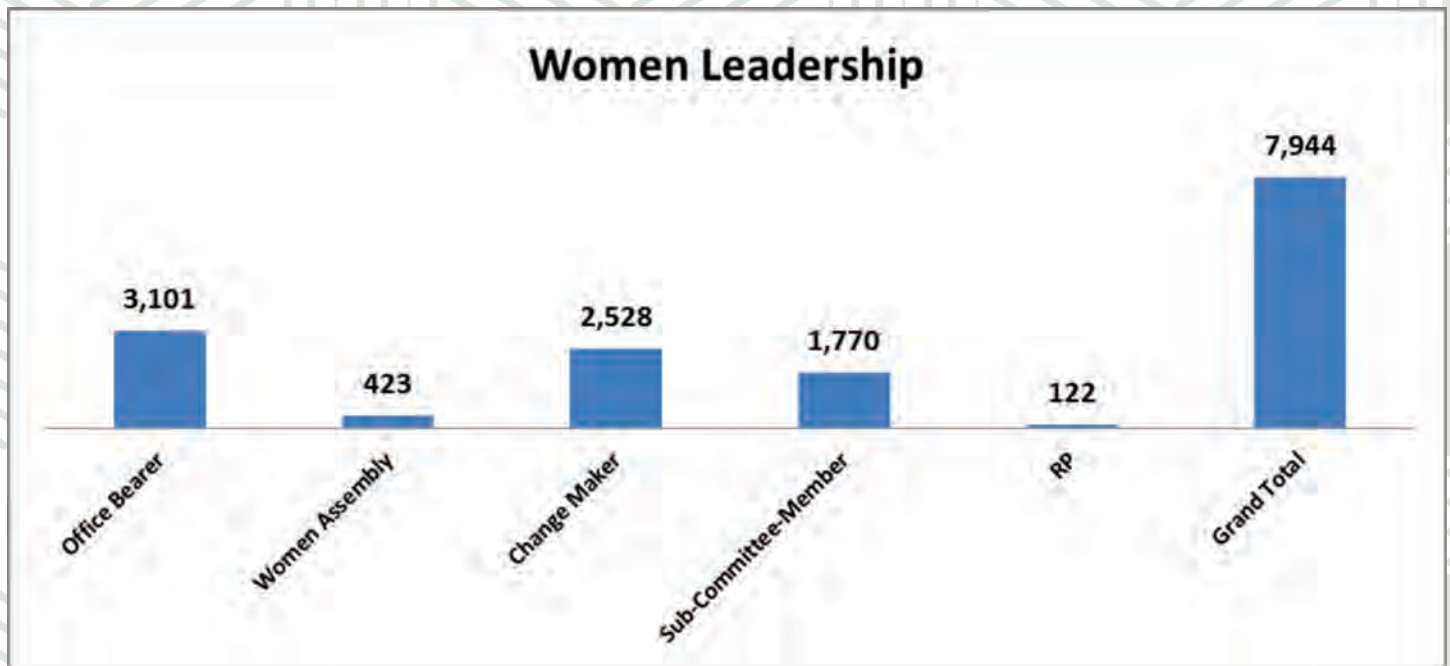
In this year, SPO joined other AAWAZ consortium partners to establish a South Asian Women Community Leaders' Alliance to be recognized by SAARC as the forum for inclusion of women's concerns in development and connecting their voices with macro-regional level development related decision-making, legislative and constitutional reforms. At a South Asian women community leaders' dialogue organized by AAWAZ in January 2016 the demand for the formation of South Asian Women Community Leaders' Alliance was raised. The event led by women community leaders from the eight SAARC member states and participated in by South Asian experts, Ambassadors, High Commissions'

officials, Government of Pakistan officials, academics and UN officials, made a unanimous call for establishing a South Asian Women Community Leaders' Alliance. The Alliance aims to leverage on SAARC as a regional level engagement mechanism with community women in positions of influence and those contesting for elections to develop a culture of collective consultative action that holds these actors accountable.

The process of building the proposed Alliance is being steered by an expert working group from across the eight SAARC member states – who met for the second time in Kathmandu, Nepal on August 10-11th 2016. The working group under the leadership of Ms Chandni Joshi, former Regional Director UNIFEM and Ms Shaista Pervaiz Malik, MNA and Chair Women's Parliamentary

Caucus met with the President of Nepal H.E Bidhya Devi Bhandari, who expressed her acknowledgement of the process to build the regional alliance. The networking and advocacy efforts for bringing the alliance to fruition are on-going.

AAWAZ has also intensively invested in youth leadership and sensitization to eliminate violence against women. Around 350 Youth Circle of Influence (YCI) sessions were held with over 2500 male and female youth leaders inside academic settings and in the communities on masculinity, non-violent communication, violent extremism, pro-women laws and Violence against Women & Girls (VAW&G) which promoted affirmative actions by youth condemning anti-women cultural practices and signing pledges to fight VAW&G in any form.



# Output-2:

## Citizens and communities better able to resolve disputes peacefully, and work together for common solutions in KP and Punjab.

During the year, around 127,000 citizens 50% of whom about were women were made aware about modes of non-violent communication and how to better value diversity. The actions and initiatives of AAWAZ forums members, peace connectors, Resource Persons of Aagahi Centers facilitated 43 sectarian, 31 interfaith processes and pre-empted around 1350 VAW&G cases.

About 85,000 women, religious minorities and youth participated in over 870 peace-building events such as rallies, walks, Aman Baithak, meetings and theaters in 13 districts of AAWAZ covered by SPO. Also, SPO organized a mega-level minorities, youth conference for advocating minority youth rights in Peshawar which was attended by about 600 participants from across KP province. Apart from engaging youth in creative, peaceful activities and engagement with mainstream youth for social harmony, the conference requested the KP government represented by Mr. Ravi Kumar, Advisor to the Chief Minister on Minority Affairs to ensure broader representation of minorities in public and private institutions, provision of security to all religious places of minorities and return of religious worship places to the minority community earlier confiscated by private individuals and public institutions.

This year, AAWAZ conflict pre-emption interventions dominantly focused i.e. Early Warning System, Peer Learning-based on Multiple Identities training for sensitization of peace connectors, Gender Road Map of selected couples for discouraging violence against women at household levels. Thus, the conflict pre-emption thrust of AAWAZ crisscrossed society,

communal and individual dimensions and level of conflicts.

Using conflict pre-emption approaches, AAWAZ has established Early Warning Systems (EWS) in all 45 districts including 13 districts covered by SPO's. EWS aims at creating a district-level conflict-pre-emption mechanism and network for response led by district-level stake-holders i.e. peace connectors, AAWAZ members, government authorities, especially law and order departments, faith-based leaders, civil society (lawyers associations, trade unions, consumer networks, NGOs/CBOs). As network or individually, their responses entail face-to-face inter-actions to disrupt violence, alerts given through use of smart phone applications, dialogue and consultations, provision of information to decision-makers and by advocacy/lobbying.

To strengthen Early Warning Systems, using Participatory Rapid Appraisal (PRA) and power analysis tools, conflicting mapping exercises were conducted in 1300 villages of SPO's AAWAZ districts and then data was consolidated at the UCs level, culminating into peace map at district level through a multi-stakeholder dialogue workshop. This not only helps in critical thinking of AAWAZ members at village level, but also for identification of causes and effects of religious, sectarian and VAW conflicts, triggers of conflicts, supporters, blockers, peace connectors and multi-stakeholder dialogue. EWS largely banks on the vigilance of peace connectors, peace building events and response of government law and order agencies. Vigilance, cooperation and tolerance have greatly improved, for instance, as drastic reduction in target killings and violence has been

experienced in district DIK which is marred by a history of bloody Muharrams and frequency of sectarian killings. Two Sunni women peace-connectors were presented awards by the Police department for their peace-building role during Ashura in DIK which experienced the most peaceful religious events in 2015-2016. The same is true for most of the AAWAZ districts which have helped save precious lives of citizens and prevented losses of millions of rupees.

Peer Learning is the second most profound and prominent intervention of output-2. As a process, initially the peace-connectors of sectarian and faith groups are engaged separately to reflect and help each grapple with difficult questions of peace and conflict and help build tolerance. Then separate groups are invited together in workshops to learn from each other and reflect on the realities of conflict. This year, peace connectors were oriented on curbing hate speech, violent extremism and non-violent communication. Addition of content on Multiple identities was tested to deepen and streamline the process of peace-building initiatives by peace-connectors. AAWAZ district staff of all consortium partners were trained in a one-week workshop at Dubai, rolled-out Multiple Identities training to peace connectors of Peer Learning in workshops. The session discussed why Identities are important to us, the relationship between

identities and characteristics and how identities shape vulnerabilities for many, and for others in given circumstances. For instance, facts and stereo-types are interchangeably used, while stereo-types are partial facts which tend to trigger exclusion, discrimination and violence.

Another innovation this year was the Gender Road Map (GRM) for creating safe gender relations at the household level. In three selected districts of SPO i.e. Multan, Mianwali and Dera Ismail Khan (DIK), over 40 couples were identified who willingly participated in the GRM process. Firstly, sessions on improving marital relationships, reducing domestic violence and creating safe space environments for respectful communication between couples were held with selected couples. This is followed by workshops on gender concepts and roles and communication. Through GRM, a momentum was put in place for reflection and action-planning with couples on a monthly basis. Remarkable case studies of personal transformation in male members of selected couples have been reported which directly benefited women and children in the families in terms of spending more time by male members with their family and participation by women in decision-making processes at the household level, and in freedom of mobilities, without fear of question by spouse.

# Output-3:

## Women and other excluded groups better able to demand improved delivery of services in KP and Punjab.

This output seeks and builds capacity of citizens especially women, religious minorities, PWDs, transgender community and other marginalized groups to become engaged with government to address social services issues and demand transparency and accountability of state institutions. State-citizen engagement enables poor women, men and the excluded to voice their needs and priorities for efficient and effective social service delivery by holding government to account.

Under this output, over 5000 demands for social services of health, education, WASH and others were raised by citizens in over 450 engagements including 125 Khuli Kacheries (Open Assemblies) which were held between AAWAZ members and state institutions during the year. The demands met benefitted over 576,000 households in 13 districts. An AAWAZ annual follow-on survey reveals that 67% (overall 11 percent increase from baseline) of the target communities were using public services and 73% (overall seven percent increase from baseline) of them were satisfied with public services. This survey indicated enhanced access and higher levels of satisfaction when compared with the baseline data of 2014. (Source AAWAZ Annual Report 2017)

About 520,000 citizens were informed of their rights, procedures and hot-lines for social services through media and IEC material dissemination. A total of 173,315 citizens of which over 158,000 are women, accessed Aagahi centers for referral services and engagement with government line departments especially for obtaining CNICs and for the voter-registration process. Mobile AAWAZ Aagahi Centers (MAAC) in

### Some cases of Value for Money

- (i) Over 400 education, health and other social services needs identified in VDPs have been incorporated in district ADPs worth millions of rupees.
- (ii) Application to PM house from an AAC of Multan district complaining unfair wages in a food-factory results in benefitting 700 women (450 AAWAZ area) in securing fair wages (increased from PKR 6000 to PKR 13000). Apart from economic value of PKR 4.2 million, women voice and status improved in the communities.
- (iii) EDO health issued a notification to all BHUs and RHCs in Multan to make accessible washrooms and ramps for the person with disabilities. Each BHU has been given funds of PKR: 200000 and RHC PKR: 1000000, that will benefit nearly .45 million individuals.
- (iv) A decision on ADF Khushab district application by district Ombudsperson endorsed by Lahore High court for cleaning of 300 Km drainage canal is expected to save 10,000 households from floods and has recovered 36000 acre of land from seepage generating an economic value of PKR 350 million.

Peshawar and Mobile Resource Persons of the Aagahi Centre in Buner district are slightly different models adopted by SPO to help these districts reach out to AAWAZ communities with information and set up study circles especially for women who otherwise may find it difficult to connect with government services. In 2016, MAAC alone reached 13,000 citizens of whom about 30% are women.

The programming of the year emphasized conduct of Khuli Kacheries focussed on social needs of women, religious minorities, PWDs to enable these marginalized groups to directly get engaged with government functionaries. To

maintain the focus, a governance week was observed in AAWAZ districts to hold Khuli Kacheries exclusively on issues of excluded groups which led to remarkable results. In over 60 exclusive Khuli Kacheries, a large number of issues were raised and were promptly addressed. Apart from missing health and education facilities, women issues such as Dar Ul Amaan, job quotas, washrooms and ramps for PWDS were addressed. In Buner district, the district administration announced half-fares for PWDS in public transport.

Khuli Kacheries so far have proved to be the most effective mechanism for state-citizen engagement and dialogue in AAWAZ districts. Other than that, the formation of District Coordination Committees across KP and Punjab is a promising step towards sustainability of relationships between AAWAZ communities and government.

Khuli Kacheries on issues of Women Excluded groups

Region	Women	Minorities	PWD	Transgender	Total
DIK	7	1	2	0	10
Multan	9	6	4	0	19
Peshawar	16	0	1	0	17
Lahore	6	6	3	1	16
Total	38	13	10	1	62

To increase oversight on government service delivery and help citizens express their satisfaction with the quality of social services, AAWAZ initiated and tested the social audit process in 8 districts including two covered by SPO's i.e. Khushab and DIK. Key Informant Interviews with government and citizens and Focus Group Discussions (FDGs) and scorecard exercises were conducted to seek their perceptions about the quality of education and health services in the district. The data gathered from these exercises is being analyzed and will be





shared with districts and provincial governments to enable advocacy for improved social services.

SPO organized a National Conference on “SDGs: Roadmap for Pakistan” on 17th November 2016 attended by over 200 citizens and concerned provincial secretaries, UN organizations, bilateral donors, international and national NGOs, other civil society organizations, Local Government and community representatives from 45 districts of the AAWAZ programme. Member, National Assembly Uzair Ali Khan, who is also the Coordinator NA Standing Committee for SDGs, was the Guest of Honour of the conference. Speakers and participants emphasized drawing lessons from the pitfalls of the MDGs experience and underscored the need to fill data gaps, oversight and reporting, coordination and wider

dialogue and consultation, ownership and resource mobilization, localization and national strategy on 17 SDGs set to be achieved by 2030. In the concluding session of the conference, Ms. Khawar Mumtaz, the Chairperson, National Commission on the Status of Women, highlighted Goal 5 and Goal 16 in the context of Pakistan. These are Gender, and Peace and Governance respectively. Kaiser Bengali, the renowned economist elaborated the Public Policy Framework and the SDGs along with an analysis of the essence of development. He deliberated on the deep-rooted structural, cultural and political underpinnings of low Human Development Indicators in Pakistan and urged citizens especially women, to be the ambassadors of SDGs in Pakistan by demanding their rights.





# Short to Mid- Term Projects

## 1. Project Title: "Making Provincial Governments in Pakistan more accountable for Human Rights."

The purpose was fully achieved in this intervention. The intervention was based on a multi-pronged approach whereby the provincial human rights policy strategies based on the work of Universal Declaration on Human Rights were not only drafted but inculcated in the work of the Provincial governments. The first prong of the intervention included orientation meetings and stakeholder consultations to formulate Provincial human rights policy strategies. In each province, two stakeholder consultations were held which sought to incorporate the north and south of each Province and record perceptions other than that of provincial capitals. After this extensive process, a Provincial human rights policy strategy was drafted for each Province keeping in mind the 18th Constitutional amendment and the resulting comparison, and contrast in the state of human rights in the four Provinces.

The second prong of the intervention included a training needs' assessment, designing of training manuals and a training workshop for representatives of each Provincial government. The training workshops were tailored to the specific needs of the Provincial government representatives and included representatives from all departments including labour, human rights, social welfare, law and parliamentary affairs, home, police, prison, culture, information etc. The training was the first of its kind as it was tailored specifically for the Provincial government and was led by the federal Ministry of Human Rights. The training provided an important component of building the capacity of all four Provincial governments on international human rights standards, national human rights laws and implementation of Provincial human rights policy strategies.

The third prong of the intervention included interface and liaison between the provincial government and the federal Ministry of Human Rights. This was achieved through orientation visits of provincial government representatives to the federal ministry of human rights and relevant national human rights institutions. The activity helped create better networking, coordination and liaison between federal and provincial government institutions. It also created a better understanding of international human rights obligations so as to in light of European Union GSP-Plus and the efforts being made by Pakistan to sustain the economic benefits attached from the EU to ensure human rights.

The last prong of this project intervention focused on implementation and institutionalization. The four Provincial Task Forces on Human Rights were notified by the Chief Minister of each province. The Provincial Task Forces on Human Rights have been tasked with the responsibility to help ensure security of human rights which include activities outlined in this project intervention. The Provincial Task Forces on Human Rights include a cross-section of provincial government departments owing to the cross-cutting nature of human rights. The Provincial Task Forces on Human Rights are governmental bodies having the necessary political endorsement to pursue implementation human rights in the province. The Provincial Action Plan on Human Rights has also been shared with the Provincial Task Forces on Human Rights to implement the strategy document in respective provinces. In the parallel, Civil Society Watch Groups on Human Rights have also been constituted to act as watch-dog bodies to monitor and facilitate implementation of human rights instruments and interventions as defined in the project.

## 2. Project Title: “To offer quality care to Tuberculosis (TB) patients through a network of enabled private sector and parastatal hospitals, clinics and laboratories”

The project goal is to increase TB case notification (all forms) from 61% of estimated incident cases in 2013-14 to 71% of estimated incident cases by 2017 while maintaining treatment success rate at 91%.

There are two Principal Recipients (PRs) for the implementation of the TB Control activities in Pakistan. The public sector PR is the National TB Control Programme (NTP) and the private sector PR is Mercy Corps. At the national level NTP provides overall leadership and technical guidance to all TB control initiatives in the country. NTP is supported by the Provincial TB Control Programmes (PTPs) in each province. The PTPs supervise and monitor the implementation of TB control activities at the provincial level. At the district level, the activities are implemented under the supervision of District TB Coordinator (DTC), who is supported by the District Lab Supervisor (DLS).

Mercy Corps has implemented PPM in Pakistan since 2010 with funding from the Global Fund. The NFM grant of the Global Fund, Mercy Corps continues to implement PPM as a Principal Recipient (PR) in 75 districts of Pakistan with six sub-recipients.

In the project period SPO, as a Sub Recipient (SR) has to train 141 General Practitioners, 141 Paramedics, 20 Lab technicians for the identification / increase of 3485 3548 notified TB cases in 09 Public Private Mix (Mix), Districts in Balochistan with the technical support of Mercy Corps (MC), Provincial TB control Programme (PTP) and representative of Global Fund, the Provincial Technical Officers (PTO) besides this contact screening of registered TB cases is

another important aspect of the project in order to trace contacts of registered patients.

### Major Components of Project:

- Access to TB Health Facilities; GPs clinics and Private Labs
- Monitoring and Supervision through Recording and Reporting Tools (R&R)
- Advocacy and Lobbying
- Data Validation of registered TB cases through the representative of Global Fund

### Major Activities:

- Training of GPs through District TB coordinator
- Training of Paramedics
- Training of Lab Technicians
- Meetings with Notables
- Organizing Community Gatherings
- Organizing Chest Camps
- Organizing Quarterly Review Meetings with GPs and Government officials for data validation
- Staff Review Meetings

### 3. Project Title: Global Partnership for Education Region 1 & Region 4

The Government of Balochistan (GoP) is committed to address the multiple challenges in the education sector in order to meet its obligation so to provide education for all as per Article 25 A of the constitution and Sustainable Development Goals. The Government of Balochistan has prepared a five-year Balochistan Education Sector Plan (BESP) 2013-18. The aim is to achieve education for all as per constitutional requirements.

GPE-BEP is a 3 year-project financed by Global Partnership for Education (GPE) and supervised by the World Bank with the development objectives of increased school enrollment and retention in the project-supported schools with a special focus on girls participation, and to develop mechanisms to improve the quality of school management.

#### Project Key Performance Indicators are:

1. Number of children (Girls & Boys) benefiting from newly being established schools and improved/upgraded facilities in selected schools.
2. Retention of children in project schools.
3. Parentage of schools with functional parent Teacher School management Committee (PTSMC) involved in the monitoring of activities at school level.

The project is being implemented by Secondary Education Department (SED) Government of Balochistan with the extensive support and monitoring by the Project Management Unit (PMU) established by SED.

#### The major components of the Projects are:

1. Access & Equity.
  - a) Establishment of 725 new primary (mixed gender) schools with the provision of early childhood

- b) education.
- b) Up-gradation of 120 schools (95 primary to middle and 25 middle to high)
- c) Rehabilitation of 300 schools including 100 upgraded to middle schools.
- d) Mobilization and capacity building of PTSMCs.
- e) Recruitment of teachers on contract basis through test-based recruitment.

#### 2. Quality & increased accountability:

- a) Teacher capacity development through provision of teaching & learning material.
- b) A school information system for better planning and decision making

#### 3. Technical assistance for improved capacity for management and monitoring.

- a) Effective project management through PMU & SED.
- b) Project monitoring and supervision mechanisms.
- c) Capacity building of staff and PTSMCs.
- d) Communication and coordination mechanisms.

#### Social mobilization implementation partners (SMIP) will perform the following major activities:

- School site identification
- Land mutation of identified schools.
- Formation of PTSMCs
- Capacity-building of PTSMCs members
- Formation and capacity-building of local educational councils
- Potential teacher identification
- Advocacy for enrolment & retention

- Conflict resolution
- Data collection of project schools

SPO is an implementing partner of the Global Partnership for Education Project (GPE) and is working on the Balochistan Education Project (BEP) in eight districts of Balochistan, i.e. Quetta, Qilla Abdullah, Pishin, Mastung, Loralai, Kohlu, Barkan and Musa khel. Project Implementation duration is from July. 2016 to December 2018. During this period, SPO is responsible for the following activities;

### **Major activities**

1. PTSMCs formation
2. PTSMCs notification with the Education Department
3. Large community meetings
4. Formation & Capacity-building of PTSMCs
5. Capacity-building of teachers on DRR, Wash and Child Protection
6. Support in land mutation process
7. Increase enrolment and ensure retention of students
8. Conflict resolution within the community
9. Data collection and follow-ups

## 4. Citizens' First: "Improving Human Security" Project

SPO successfully implemented the Citizen First project in 4 districts of Sindh namely Shikarpur, Larkana, Sukkur and Khairpur. The Citizens' First programme aims to contribute to long-term stability in Pakistan through strengthened local and national governance, being responsive to local needs by provision of services and by promoting inclusive economic development. The project interventions aimed to contribute to human security by specifically strengthening the dialogue between government and civil society, and increasing the engagement of civil society in structural advocacy at different levels to foster more efficiency, accountability and transparency in the delivery of basic services by the government. The overall goal of the project was achieved by linking local and federal levels of advocacy, engaging structurally in the planning and budgetary processes underpinning policy development and service delivery, as well as by effectively addressing and mitigating conflict around economic resources.

Based on **outcome one**, activities were conducted to educate, mobilize citizens to advocate their rights through traditional community consultation sessions and trainings. Men, women and youth from different ethnic, cultural, religious and sectarian groups were encouraged to interact with each other messages of peace, tolerance and harmony through traditional events, cultural festivals and through mass media campaigns. SPO organized twelve Citizen First groups (CFGs) in each project targeted district and forty four CFGs in four targeted districts of the project. The structures of the Citizen First Groups were equipped with knowledge and information on basic human rights which can be claim from the state and for monitoring, advocacy skills were enhanced to generate demands with their relevant local authorities for solution of social services' delivery issues in areas of education,

health, water and sanitation, basic physical infrastructure, law and order etc. Mobilization and awareness raising initiatives processes were conducted to enhance the demand side from local citizens relevant with authorities, with support from SPO. These efforts resulted in active engagement of citizens with local authorities. People started to raise their voice on social services delivery problems suffered by them in their areas. Public dialogues, consultations and briefing meetings were held with relevant local authorities. Citizens of project-targeted districts identified key issues of their areas to take up with the authorities, proceeded to meet authorities with evidence, conducted follow-up meetings, and owned the development agenda of their areas to come in the front line with for satisfactory provision of their social services. Mobilization initiatives helped people to settle their internal community level issues/ conflicts and develop as organized with change agents in their areas.

**Outcome three** aimed at enabling citizens groups to engage with local authorities on public demands for basic social services. Activities were conducted to engage local authorities and citizens were enabled to use message-accessibility tools such as IEC material, radio programmes and briefing meetings to bridge the coordination gap between citizens and local authorities.

The briefing meetings provided local communities with platforms for citizens to meet local authorities to discuss community -level issues . Government authorities became aware of Citizen First project and these meetings helped government authorities to identify and act on the prioritized issues of social services in targeted area. As Capacitated and mobilized communities on advocacy of human rights very positive effect on influencing local governments for solution of

social services issues. Meetings helped to build liaison with communities and District Governments to ensure the social services delivery increased trust about governance among communities and government. Briefing meetings helped to identify basic needs and issues of the village to initiate a discourse on the possible solutions of issues. SPO played the role of the bridge between communities and district-local governments. During the project period of 2015 and 2016, twenty four (24) such briefing meetings were conducted.

Information, education and communication (IEC) material on pro-people planning and allocation, and policy decisions with respect to social services was distributed. Relevant community and local government level authorities were educated on planning and allocation of required funds for the launch of new and defunct schemes. Radio programmes helped to disseminate the messages of peace, tolerance and brotherhood in communities. Among the themes discussed were those of using radio for enhanced education and mobilization of local communities. Community members and social activists found opportunities to highlight the issues of social services relevant to their local area through radio programmes.

**Outcome five** was serving a number of advocacy initiatives for public participation and accountability in public policies i.e. number of national-level alliance-building meetings on public participation and accountability in public policies and finances, socio-economic, cultural, civil and political rights of all citizens (using the framework of ICCPR) and four human security reports produced in districts Khairpur, Sukkar, Shekarpur, Larkana. Different advocacy themes were discussed to promote civil society alliance-building on the line of ICESCR. The consultation process is the continuity of the effort to engage with the provincial government based on community-led recommendations and reflections. An advocacy plan on Status of Health/ Nutrition and Labour Rights in Sindh was jointly

prepared to address issues in the context of the International Covenant on Economic, Social, Cultural rights (ICESCR) ratified by the government of Pakistan as State party. Different relevant stakeholders from civil society organizations, health-related NGOs, Associations, Media Persons, Academia, Citizens Group Members and representatives from Health, Nutrition, Social Welfare Departments participated in the event to come up with a charter of demands. This charter is for discussion policy-makers on the critical situation of nutrition (above 15% threshold) in Sindh province and the general aggravated health situation that called for special attention from policy makers in the Sindh Assembly so as to trigger structural response as per agreed standards. This may be proposed to help adoption of a revolutionary Resolution to categorize health as basic right on lines similar to the Right to Education for All as in article 25-A of the constitution.

Under Citizen First Project of the constitution SPO signed a memorandum of understanding (MOU) for twelve villages of citizens groups for identification of primary health services issues and provision of services on the basis of identified issues by Citizen First groups. This MOU was signed for five months from May to September 2016. Three-successive meetings were conducted between SPO CF team and PPHI that encouraged PPHI to sign a Memorandum of Understanding (MOU) with SPO for joint intervention and efforts to improve health services in the targeted villages of CF Project. PPHI, with the collaboration of SPO visited all BHUs in targeted villages and ensured the availability of each facility essentially required to facilitate villagers. The provision of a doctor in BHU Hussainabad is also a reflection of this productive understanding and collaboration between SPO and PPHI.

In 2016, the Civil Society Alliance was developed to respond to social services delivery issues identified through Citizen Groups at policy level.



With an active participation of citizen groups, the Civil Society Alliance announced charter of demands in consultative meetings to lobby with the ministry of health steering committee on health and department of health. With the support of different civil society stakeholders SPO conducted the consultation process and lobbying meetings with Minister of Health Dr. Sikander Ali Mandhro, Steering Committee Members on health and Members of the Provincial Assembly for

resolution on health policy based on the rationale of health as a fundamental human right. A position paper and resolution statement has been developed and shared with members of the Sindh Assembly and the relevant health steering committee. This has also been tabled in the Sindh Assembly in the December 2016, as a result of which a commission on health was established by the Government of Sindh to propose recommendations for new policy legislation.



## 5. Project title: Policy Advocacy and Research to Strengthen Implementation of Pro-Women Legislation and GBV Response Services in Sindh

The overall goal of the Project is to ensure that survivors of Gender Based Violence (GBV) have improved access to justice support improved through services.

Under this project, SPO is identifying gaps and challenges of GBV response services including police, medico-legal services, judiciary, and existing government and privately run shelters (Dar-ul-aman) for respective improvements. The project also aims to initiate and strengthen a GBV response services and Redressal system through the formation of a Provincial Steering Forum and a Strategic Action Plan. The plan would ensure resource allocation for GBV services, improved through provincial-level advocacy and lobbying for provision of services at police stations and Dar-ul-Amans in a more effective, accessible and standardised manner. The target districts under this intervention are Karachi, Hyderabad, Matiari and Jamshoro.

SPO's role is to provide oversight that the Rules of Business (RoB) are effectively enforced out for the implementation of pro-women bills (Domestic Violence Bill, Child Marriages Restraint Act and Anti-Women Practices Act 2010 (AWPA 2010)); to monitor whether provincial legislators (men & women) are actively engaged in the implementation of pro-women legislation agenda; and whether women legislators are actively engaged, and participating in parliamentary business with an support from male counterparts. Through this project, a significant step towards women's empowerment would be the establishment of the Sindh Provincial Commission on the Status of Women as an autonomous statutory body. The Commission would be provided institutional and technical support for setting up systems and structures to ensure implementation of pro-women legislation and improved GBV response services in the province.

## 6. Project Title: Equitable Access to Education for Adolescent Girls in Sindh and Balochistan

Through this intervention, SPO aims to provide access to education to 525 adolescent girls in 07 UCs of Districts Turbat, Gwadar (Baluchistan) and Jacobabad (Sindh) by setting up 21 Alternate Learning Paths (ALPs); and conducting an extensive campaign to enroll 2000 adolescent girls in regular government schools. SPO would also be strengthening 40 government girls' primary, middle and high schools in the selected

UCs through the provision of necessary furniture items and teachers' training. Thus, the project is divided into four core phases: 1- Conducting Baseline Mapping 2- Strengthening Government Schools 3- Establishing Alternate Learning Centers and 4- Running the out of school girls enrolment campaign simultaneously in three districts.

## 7. Project Title: National Coordinator for Bar Council/ Association Engagement

SPO was selected as the only partner for a national-level grant under the GEP sub grant 252. The scope of work was to build the capacity of GEP district level partners on the effective implementation of their district level grants, which were based on sensitizing District Bar Councils/ Associations on Pro - women Legislation. The project proceeded as described below:

SPO developed four training manuals on a) Gender, gender concepts, legal approaches to equality, b) Pro-Women Laws, developed and delivered through a series of training sessions for trainers for all the district level partners, c) Family and religious minorities laws including Qisas and Diyat, and d) International legal instruments and obligations related to women's rights.

SPO conducted 24 regional dialogues in 12 districts across Pakistan to generate discussion around pro women legislation, de jure and de facto challenges, respective GBV response services and role of provincial departments for the implementation of promulgated pro women laws.

SPO developed a comprehensive database containing legislative information, names of legal experts, pro bono experts, public prosecutors and

organizations providing legal aid. A data Base has been developed of 462 women-litigants who were facilitated and provided free legal aid by 120 pro bono lawyers to seek justice in 12 districts across Pakistan. 92 cases of women litigants reached resolution and were closed, according to law. Notably, all these cases were decided in favour of women.

One of the biggest accomplishments of the project is the development of a Case Law book- The Justice Prelude: A Social Legal Perspective on Women's Access to Justice. This case law book portrays to individuals who were protected from violence as a result of legal aid, advice and representation; law professionals who committed their services and reached out to secure the rights of some of the most vulnerable and disadvantaged women in our society. This book also analyzes problems in the current judicial system which is currently unable, to serve the needs of women even after landmark pro-women legislation. The book offers progressive precedents to be followed by the legal fraternity and development practitioners for effective advocacy to promote and strengthen women's access to justice.

## 8. Project Title : Maternal and Child Health Integrated Program (MCHIP)

With the goal to improve the status of maternal, new-born and child health in Jacobabad district, Sind province, the MCHIP project objectives include:

1. To enable women and children including new-borns to access and utilize quality healthcare services including basic and comprehensive emergency obstetric and newborn care (EmONC) at the target public and private health facilities by the end of the year 2016.
2. To ensure 24 hours, availability of affordable, acceptable, seven high-impact MNCH specific facility-based and outreach-level curative and preventive health services in target districts.
3. To foster accountability, a multi-sectoral approach and partnerships in MNCH continuum-of-care model.

### Major Achievements from February 2015 to March 2017.

- 450 Skilled Birth Attendants (SBAs) were trained from 59 Health Facilities (HFs) through 52 group/ cluster-based training sessions and On-Job Training (OJTs) to help babies breathe, health aid for pregnancy, child birth, postpartum and new born care and managing complications during pregnancy/delivery.
- 1300 women health care providers/ assistants were trained through On Job Coaching by the clinical team at 59 Health Facilities (HFs), both public and private. They have been trained for proper maintenance/keeping of record of each patient to track the ante-natal and post natal

visits and respective follow-ups. They are also trained for counseling of clients for family planning and about the importance of appropriate birth-spacing.

- 525 Lady Health Workers (LHWs) were trained on MISO and CHX Gel for prevention of umbilical-cord infection at the time of child birth.
- 48 Lady Health Workers (LHWs) were trained on use of the Mother and Child Nutrition Manual prepared by Jhpiego.
- 240 male Health Care Providers were trained in emergency treatment of Pneumonia and Diarrhea.
- 142 private transporters were trained to local ambulance services for about 46 health facilities in district Jacobabad to reduce the second-tier delay in accessing health facilities to as delays cause maternal and new-born mortalities.
- 1050 pregnant women have been transported to the closest health facilities on subsidized rates by trained transporters.
- Provided medical supplies to 59 HFs for labour rooms and other areas.
- Maternal and Neonatal Child Health (MNCH) Support Cards were distributed among 75 poor pregnant women through MCWs for free of cost service delivery including 4 Ante-natal Checkups (ANC) , delivery , and 2 Post-natal Checkups (PNC)
- A Placenta Pit and waste disposal system has been established in all Health Facilities selected under Maternal and Child Health Integrated Program (MCHIP) project in the district.

## 9. Accountable Justice Programme in Pakistan – AJPP

A project on 'Accountable Justice Programme in Pakistan – AJPP' has been granted by DFID to the consortium of DAI, SPO and Legal Aid Society (LAS). The first 4 months of the Programme are of the Inception Phase, during which, SPO, DAI and LAS are engaged in meetings to develop the Programme Design, the Theory of Change, the selection of the districts, organizational assessments and the implementation plan. After the four months' phase of inception, the project will be implemented over a period of 48 months.

The target groups under AJPP are women and men, boy and girls, the poor and other marginalized groups. The programme aims to present significant improvements in the application of the rule of law in Pakistan, by equipping Pakistani women and men, girls and boys with requisite knowledge and capacity effectively to hold the key law enforcement and justice sector institutions to account. The inception phase of the project is still in a state of a suspension due to the donor's room.

## 10. Enhancing Opportunities for Youth Livelihood and Employment in the Garment Sector through social and community mobilization in Karachi

SPO implemented a one-year project titled "Enhancing Opportunities for Youth Livelihood and Employment in Garment Sector through social and community mobilization in Karachi" with the support of UNDP in areas of District Korangi, Lyari Town and UC Sultanabad. The overall objective of the proposed project was to create better livelihood and employment opportunities for youth in local garment and home textile industries through social mobilization, advocacy and capacity-building.

In a one year period , a total of 3773 youth (941 girls & 2832 boys between the ages of 18-28) of project target areas have been identified and mobilized to seek skills' development and technical/vocational education in the garment sector. Of this number , which, 562 youth (237 girls & 325 boys) were referred to institutes to acquire Industrial Stitching Machine Training (ISMOT) and Quality Checkers courses at the Polytechnic Institute, Korangi, Landhi, STEVTA Lyari and the vocational centre Sultanabad where 52 (18 girls & 34 boys) were facilitated to receive

jobs at various factories including Gul Ahmed Home Textiles, Akhtar Textiles, Rajvi Group of Industries and Artistic Milliner at Korangi. One of the key components of the Project was Social and Community Mobilization. As the project aimed to train and employ youth of Lyari, Korangi and Sultanabad in garment-related trades, comprehensive and exhaustive activities pertinent to social and community mobilization in these geographical target areas were required.

10 youth-oriented community networks, 4 in Lyari, 4 in Korangi and 2 in Sultanabad were established and strengthened in a year. 51-youth network members in social/community mobilization, awareness raising and advocacy, community leadership, negotiation, communication skills and conflict resolution were trained. A total of 98 awareness raising and advocacy events / registration camps were organized, in which 6436 community members (including 3898 Males & 2538 Females) participated.

The mobilization campaign was well supervised with the support of youth networks in respective project areas, to encourage and facilitate youth to seek technical skills and education in garment - related trades and to seek employment as well as self-employment in the garment/textile sector. The youth networks played an active role to promote information access, sharing, and dissemination in the community regarding ongoing project activities and training initiatives through distribution of IEC material which included pamphlets, standees and banners.

Under this project, 03 linkages meetings/ events were conducted on a larger scale. Through these events, a total of 477 participants including 118 women and 359 men of the area have been mobilized.

During the project phase SPO mobilized some very energetic and hard-working young boys and girls, including a shoe-shiner who, after obtaining training, became an industrial machine- operator, a young girl from the conservative society of Sultanabad succeeded in working on all kinds of

stitching machines. She is also determined to educate her children in the best schools with income earned from her stitching skills. A number of boys have also begun earning enough to feed their families along with paying the school fees of their younger siblings.

This project was unique with respect to its nature and the areas where it was implemented. Lyari, Sultanabad and Korangi have been affected by violent extremism including political militancy and religious extremism. Therefore, implementing a women and youth centric project in these conflict ridden areas was a challenge itself. But through its implementation strategy SPO carried out the project successfully. The project components which were the responsibility of SPO were rendered meticulously, with sound outputs, whereas the components that were beyond SPO's control were difficult to manage. By and large, the social mobilization component was very effective and was able to establish well-equipped vocational centers and help youth to access markets.



# 11. Strategic Partnership on Women, Natural Resource Management and Peace Building

SPO entered into an agreement with Oxfam Novib for Strategic Partnership on Women, Natural Resource Management and Peace Building. This three-year project commenced April, 2016 and will end in March, 2019. The project aims at ensuring that women have a say in local water-related peace-building processes and policies and their say is considered in water-related aspects. The project is being implemented in the Akram Wah division, a water system in Sindh province covering three districts comprising Badin, Hyderabad and Tando Muhammad Khan. SPO is an implementing partner for district Hyderabad. The main focus of the project- women and marginalized groups in the target districts, dependent on the water share from Aram Wah Division- will benefit as the project aims to raise awareness, specific knowledge generation and capacitate these target groups about water governance and associated dispute resolution. Linkages will be established with local water governance structures and related stakeholders for equitable representation and a meaningful role in decision-making. At the policy level, the project aims to address structural inequalities faced by marginalized groups and women in particular. However, given the timeframe of the project, selective policies will be reviewed and efforts will be made to bring about positive changes for women and marginalized groups.

The project commenced with a baseline survey (contextual analysis) to analyze the women's and marginalized groups' participation in formal water governance and related peace-building and policy processes in Akram Wah Division, Sindh Province. In the light of findings and recommendations of the baseline, a strong mobilization campaign was designed to make targeted groups conscious of the issues and sensitize women and marginalized groups of the area about their potential role in water related disputes and the peace building process.

In this regard, 28 consultations meetings were held with women and marginalized groups to have an analysis of the existing water-related conflicts and the community's potential role in the peace-building processes. It also resulted in the engagement of all the concerned departments, public and private institutions, experts, researchers and all other stakeholders at the district and provincial levels and also engaged the legislators throughout the process.

The project also facilitated the signing of an MoU between Oxfam and the Sindh Irrigation and Drainage Authority (SIDA) to support project activities, and an increased role of SIDA in policy level reforms initiatives. A Project Advisory Committee (PAC) at provincial level has been formed which comprises of 06 members, including water governance experts, peace promoters, human rights activists, minority rights activities and gender experts at the provincial level to review the existing structure and provide expert opinion at all levels and recommend best practices. 09 community groups at the water-course level and an alliance on the district level has been formed to take up the water-related issues at the community level and advocacy initiatives with other stakeholders and line departments.

In order to build the capacities of the communities on water governance, 04 trainings were conducted on water governance, gender concepts, peace-building process, conflict resolution, women's inclusion in water related disputes and water ordinances. 02 interactive theaters on the role of the community in water governance were organized. About 250 men and women, of the area participated. 01 engagement meeting of community groups was organized with SIDA representatives, media persons and other stakeholders. The project bridged the gap between the communities and line departments.

In this connection, one dialogue with SIDA, farmer organizations and water course organizations was organized in which a large number of stake

holders, civil society members, line department officials etc. participated

## 12. Improved access to Fair, Legitimate and Effective justice in Pakistan

In Pakistan "panchayat", "faislo" and "jirga" are the existing informal justice systems that work parallel with the formal justice system. However, these informal justice systems follow customary practices, are not formalized and usually do not follow basic human rights standards as given in the Constitution of Pakistan. In many developed countries such as the UK and USA, Alternate Dispute Resolution (ADR) is regularly used as a means of settling legal issues in the communities maintaining common values and preserving harmony. In Pakistan several efforts have been made in the past to improve ADR practices in the country. This new project titled "Improved Access to Fair, Legitimate and Effective Justice in Pakistan" will address the issue of ADR building on existing knowledge and available mechanisms. It will develop linkages between the formal and informal justice system, improve structure and functioning of informal justice systems, establish semi formal justice systems comprising formal and informal justice providers, strengthen the role of local government, including police and judiciary, in improving access to justice for the communities to ensure peace and harmony in society. This is a five-year project which commenced April, 2017 and concludes December, 2021.

The orientation meeting of the project was held in Dubai in which the consortium partners Oxfam, Safer World, SPO, SAFCO and Rehber participated. A brief presentation on the project objectives and

proposal was given by Oxfam. Participants discussed in detail the existing ADR structures in all three targeted provinces (Punjab, Sindh and KP) implementation strategy and the desired results. The main focus of the meeting was on the Legal Framework so that the expected results and milestones might be unfolded.

Another orientation meeting with the field team was also organized at Multan. It provided an opportunity for the team to understand the project objectives, activity cycle, budget, project outcomes and LFA. As a result of this exercise, the team was able to devise an implementation plan for the field level. Oxfam also organized a two-day training workshop on context analysis. The participants analyzed the profiles of their respective districts, especially in the context of project design and activities. In the workshop, the stakeholders' analysis was carried out so that the supporters, blockers and swingers may be identified in particular districts. Participants also obtained an analysis on the challenges faced while working with deprived communities so that the teams are well prepared to mitigate the challenges at all levels. Introductory meetings have been conducted with district administrations including DPOs, DCs, chairmen of respective district councils and also the judges of the district courts in the three districts of the project. In these meetings, brief orientation about the project was given to all participants.



## 13. Deepening Democracy and Election Support in Pakistan

SPO has implemented "Deepening Democracy and Election Support in Pakistan" a nine-month project to contribute towards more inclusive, transparent and responsive democratic institutions and processes in Pakistan in district Bahawalnagar. The outcome of this initiative built greater levels of engagement with, and trust of citizens, including women and socially-marginalized groups, in the electoral and parliamentary processes in Pakistan.

The project focused on the need for continued oversight of electoral and parliamentary processes and evidence-based advocacy for improved enforcement of existing statutes as well as legal and policy reforms through proactive engagement with political parties, parliamentarians, Election Commission of Pakistan (ECP), civil society and media. In addition, investments were made in public debate, dialogue and discourse to strengthen a pro-democracy narrative in the country.

The SPO field team, with an effective mobilization strategy conducted about 68 meetings with District Voter Education Committee (DVEC), women's groups, religious minority groups, transgenders, notables/influentials, elected representatives, and unions/associations to motivate the targeted groups for optimal CNIC registration. Through its massive campaign the SPO team was able to identify about 15,000

women, transgenders and to persons from religious minorities, person with disabilities and men for registration of to obtain CNICs. SPO engaged 7 observers to monitor centres of voter lists during September 2016 and 101 display centers were successfully observed.

SPO has also served as an observer in the Bi-Election PP 232 Vehari in August 2016. A Civil Society Organization Alliance was formed at district level for advocacy purposes on citizens' issues/demands and on electoral reforms. This CSO alliance through its consultative meetings with major political parties drafted a charter of demands. This charter of demands was presented at a district level convention where a large number of political parties' representatives, active citizens, representatives from CSOs, media and other stakeholders participated. The representatives of political parties vowed to take up the major demands with their senior party leaders. The SPO team also conducted 6 meetings with female and male heads of colleges/universities and 6 student sessions/dialogues were arranged. Students were oriented on democracy, governance and development, Govt initiatives for youth and role of social media. The team also conducted 28 meetings with NADRA officials and 14 District Election Commissioners (DEC)/Election Commission of Pakistan (ECP) Officials to activate DVEC for women CNIC registration.



## 14. Improving Women Participation in Electoral Process- CVP Grant Cycle 11

This is a short-term project of 08 months' duration. The major objectives of this project are to increase appreciation of the importance of electoral and political participation of women among relevant stakeholders including ECP, NADRA and political parties, to enhance engagement of civil society organizations for women voter-registration through individual and collective actions and to increase the registration of women voters through direct and indirect facilitation and support for CNIC registration.

The SPO field team has conducted a number of activities, all of them focusing on identification,

listing and registration of women for CNICs. The team conducted 50 mobilization and coordination meetings with women community groups, political parties' representatives, DEC/ECP, NADRA, local government representatives, influential/religious leaders, LHWs/LHVs/ and media to promote women CNIC registration in Districts Bahawalnagar and Toba Tek Singh. As a result, SPO identified 35,432 women who did not possess no CNIC and facilitated 1468 identified women to obtain for CNICs from NADRA facility.

## 15. SEF Funded Projects

In partnership with Sindh Education Foundation (SEF), SPO is implementing education projects in District Jacobabad, Shikarpur and Sukkur. With this extensive and valuable partnership, SPO is directly facilitating children in different components of education including Early Child Education (ECE), Primary, and Post-Primary as

well as Non-Formal Education (NFE). SPO is currently in partnership with SEF in its three major programs namely SEF Assisted Schools (SAS), SEF Middle & High School Programs (SMHSP) and Adolescents and Adults Learning & Training Programmes (AALTP).

## 16. SEF Middle & High School Programmes (SMHSP)

Under this partnership, SPO is operating 08 middle schools in Sukkur (02) and Jacobabad (06) while facilitating more than 1000 students who could not continue their post-primary education. SPO with qualified and energetic teachers, is ensuring access to quality education while engaging students in other co-curricular

activities, including civic education. SPO constructed 03 new buildings and adopted 05 schools in government buildings which could not be for the past 10 years. Such closed/dysfunctional buildings were also the only options available for school premises students to peruse their post-education.

## 17. SEF Assisted Schools (SAS)

In this partnership SPO is operating two primary schools to be upgraded to elementary level. With its limited resources, SPO is facilitating more than 300 students. After up-gradation of such schools

, SPO in its first education year, would facilitate more than 50 students who have completed their primary education but did not have any access to post-primary education.

## 18. Adolescents and Adults Learning & Training Programme (AALTP)

In this partnership, SPO, with its 08 AALTP centers in Sukkur (03) and Jacobabad (05) is facilitating 1052 (695 adolescents and 357 adults) while targeting a total of 1522 learners. This programme basically focuses on out-of-school children who could not be enrolled in formal education and are now over-age. The programme facilitates adolescents aged 10-17 years while covering their primary education in 32 months instead of 05 years. The Non Formal Education curriculum has been designed and developed by the Non Formal Education Directorate, Government of Sindh with the support of JICA. The course comprises three

packages namely Packages-A, B & C. Besides, engaging out-of-school adolescents, this programme also facilitates adults in targeted areas to make them capable of basic reading/writing through Package-A along with vocational skills' development that would contribute to their self-reliance. With innovative skills, including vertical cropping, tunnel forming, fishing, heavy duty machine driving and other market - demanded skills, SPO-SEF believes that tangible changes are possible in the living standards of such ignored, destitute and deserving communities.

## 19. Engaging Legislators for universal access to WASH Rights

SPO is implementing a project, "Engaging Legislators for universal access to WASH Rights" funded by WaterAid Pakistan (WAP). The purpose of the project is to initiate legislative and government actions to establish priority status for WASH rights in the country, especially for the most vulnerable and marginalized. In this project, legislators and opinion-leaders will be engaged from the Provincial and National Assembly(s) in such a way that they are capacitated to advocate and lobby for Water, Sanitation and Hygiene (WASH) as fundamental Human Rights as given in the Constitution of the Islamic Republic of Pakistan. This initiative will help implement the WaterAid five year country strategy 2021.

Inception and the regular phases for the projects were formulated. The inception period was for four months (Dec 2016 till March 2017). Through the inception workshop, legislators were oriented about the project. They are fairly enthusiastic about taking the WASH agenda forward and they fully acknowledged the dismal situation of water and sanitation in the districts of the province. Many facts emerged through the legislators comments such as the absence of public toilets in Murree, which provoked much concern. WASH policies during the period and gaps were identified in implementation of these policies. World Water

Day was observed through media activities (electronic & print) on WAQT TV, FM101, News Forums at Jahan-e-Pakistan & Express, and through advocacy seminars at Lahore College for Women University were held and legislators and opinion leaders were made part of these activities.

The regular phase of the project commenced in April 2017. A Legislators' Core Group (LCG) has been established and is engaged in implementation activities through quarterly review progress meetings. This group has been orientated on Reviewed WASH Policies of the Punjab Province. The Standing Committee in the Punjab Assembly on Local Government and Community Development now is also on board for promoting and achieving the WASH agenda under this project. A full-fledged media campaign has been launched by engaging a consultant. So far electronic media activities that have been completed are 04 FM101 Talk Shows, 01 Package Documentary on Lahore HD news channel, 04 Articles/Editorials published in national news Papers (Express Tribune, The Nation, Daily Express, and Daily 92). Social media accounts (Face Book, Twitter) have been made and are promoting the WASH agenda as depicted in the proposal.



# 19. Testing Adaptation in Flood-Based Resource Management Project

SPO is hosting the Secretariat of Pakistan Spate-irrigation Network at NC Islamabad. This project is funded by Metameta Research Institute of Netherlands and is being implemented by this network in collaboration with SPO. Here in tabular form is its progress:

<b>Component 1: NETWORK ESTABLISHMENT AND STRENGTHENING</b>			
Output -1	Activity	Target (Nos)	Achievement (Nos)
1.1 prepare country database of active WUAs	4 Regional Local Network of WUA	4	4
	Future Vision on FBLN by Making Business Canvas Model for the country	1	1
1.2 Develop Country network plans in network activities	An independent Registered entity	1	0
	Farmer Training	2	2
	Publicity Material	2	5
	Introduction of new Needs in networks	2	2
	Networking on alternate means (Whatapps) group.	0	1
1.1.3 Establishment of farmer's core groups that are integral part of staff, in each country	Establishment of Farmer Core group for engaging in the network activities and over- all in safeguarding the farmers interest (D.I.Khan, DG Khan & Bolan )	3	3
<b>Output- 1.2</b>	<b>Network Communication Maintained and Developed (IFAD and EC)</b>		
1.2.2 News- letter maintained and developed	New Letter prepared, published and disseminated	4	1+1
	Membership Updated and maintained	4	4
	Effective communication with the farmers professional and practitioners	1	1
	Dissemination of spate related material	1	1
<b>Output 1.3</b>	<b>Knowledge Promoted and Program developed through National Network</b>		
1.3.1: Organize country based knowledge sharing	Organize field based Knowledge, targeted knowledge sharing activities organized	3	3
1.3.2: Tailor Made Training to selected farmers groups/WUAs	Tailor-Made Training to farmers	2	2
	Provide scholarships to farmers	1	1
1.3.3: Develop and disseminate knowledge Products in local languages together with WUAs	Prepared and disseminated guide book on spate irrigation	1	1
	Translate and disseminate practical notes	4	4
	Preparation of video on beer (Ziziphus nummularia) grafting and dissemination and practical training.	1	1
1.3.4: Coordination and administration of country Programs.	Pursuance of Business Canvas Model	1	1
	Identified new area of research for re-defining of water rights at Bhag-Narri Balochistan	1	1
	Help farmers in Barkhan Balochistan in water rights allocation/distribution on the newly built storage dam	1	1

<b>COMPONENT 2: KNOWLEDGE PRODUCT DEVELOPMENT AND SOLUTION MANAGEMENT</b>				
2.1	Water governance and conflict mitigation	Support solution oriented solution “ A Study on Water Governance and Conflict Management” through University of Agriculture Tando Jam Sindh	1	1
2.1.1:	Management of Soil Moisture and fertility	Research on “Soil Fertility Management Through Alternate Strip of Inter Crops” in spate irrigation areas of DG Khan (through Ghazi University Dera Ghazi Khan & MNSUA (Muhammad Nawaz Sharif University of Agriculture Multan)	1	1-Awarded and in progress
		Third Research on “Effect of Tillage on Enhancing Soil Fertility and Moisture Management” in progress through Gomal University Dera Ismail Khan KPK.	0	1-Awarded
2.1.2:	One video based on footage from partner countries	Document Research process	3	1 competed and 2 are in process
		Short documentaries prepared	1	7
2.2:	Solution oriented Research Program Conducted	Detail given in 2.1, 2.1.2 above	3	1
2.2.1	Coordinate Research Program	1 research study is completed and two are underway. Farmers are linked with the research Universities	3	3
2.2.2:	Research by Young professionals	1-young intern has graduated from University of Agriculture Tando Jam Sindh. Other 2 young interns are engaged with the ongoing research	2	3
<b>COMPONENT 3: CAPACITY BUILDING</b>				
3.1:	MSc Support Program	Support Arid Agriculture University, Ghazi University (Module) on Echo-System Management	2	1
			1	1
3.1.1	Develop a FBL internship program for young professional	One young graduate has completed internship with Agriculture University Tando Jam Sindh and 2 are engaged with Gomal University and Ghazi University respectively.	2	1
3.1.2	Farmers-Tailored Training	Core team of farmers from Balochistan and Sindh have attended training on “ Spate Irrigation System” The training was facilitated by University of Agriculture Tando Jam	2	2
<b>COMPONENT 4: SUPPORT TO INVESTMENT PLANS AND POLICIES</b>				
4.1	Investment Program on command area development	Formulate proposal for command area development System and sent to Government of Balochistan. Detailed proposal will be prepared once the plan is approved.	1	1
		Meeting with donors (USAID/WB)	2	0
		Prepared FWD proposal Dutch Embassy	1	1
		Prepared and sent above proposal to IFAD grant 2017	1	1



# Institutional Strengthening

## Linkages and Networking

As part of its enduring role in harnessing networks of people and institutions working collectively to strengthen democratic voices, perceptions and practices, SPO continues membership of relevant forums, besides presently hosting some of the national and international networks.

At the national and local levels, SPO continues to create networks in areas (thematic and regions) where there is a void i.e. visible disconnect

between state and citizens, and in order to bridge the gap, by capacitating such networks to ultimately perform the role of conduits between citizens and state. So far, SPO has created and has been partially hosting 42 CSNs and DSCs. In addition, SPO is presently hosting the Spate-Irrigation Network and the Pakistan chapter of a global campaign. SPO is an active member of the following national and provincial networks:

### National Networks

1. Founding Member of Insani Huqooq Ittehad; (SPO is currently hosting the Secretariat)
2. Member, Advisory Committee and host of the secretariat of the Pakistan Human Resource Network (PHRN)
3. Founding Member, We-Can Campaign; a network of over 450,000 change-makers working in 35 districts across the country to end violence against women and girls
4. Member, of National Resource Group and BoD - Pakistan Coalition for Education (PCE)
5. Member, Children's Rights Movement (CRM)
6. Member, Ending Violence Against Women and Girls Alliance
7. General Body member and active partner in project implementation: Free and Fair Election Network
8. Member, BoD Pakistan Coalition for Free and Fair Elections (PACFREL)
9. Member, GenderVoices
10. BOD Member, - Human Resource Development Network (HRDN)
11. Member, Disaster Management Committee - National Disaster Management Authority (NDMA)
12. Member, NGO Committee for Relief and Rehabilitation of Flood affectees
13. Member, Technical Committee on Tsunami, Cyclone and Ocean-Related Hazard Management
14. Member, and host organization in Pakistan - Spate Irrigation Network
15. Member, BoD Energy Conservation Fund- Federal Ministry of Water and Power
16. Member, Pakistan National Committee - International Union for Conservation of Nature
17. Member, Advisory Council on Environment- Ministry of Science and Technology
18. Member, President of Pakistan's Committee on Disasters
19. Member, Project Advisory Committee of Rutgers Women Protection Forum (WPF)
20. Member, Project Advisory Committee: Gender and Social Vulnerability to Climate Change (project of SPDC)
21. Member, Technical Committee for Media Fellowship (project of Rozan)
22. Member, HuCaN (Human Capital Network); a forum formed by HR professionals of Islamabad
23. Member, Central Executive Committee - National Humanitarian Network (NHN)
24. Member, General Body - Pakistan Reproductive Health Network (PRHN)
25. Member, National level - Accountability

- 26. Learning Watch Group (ALWG)  
Organizational Member, Active Learning Network for Accountability and Performance (ALNAP)
- 27. Certified Member, Humanitarian Accountability Partnership International (HAP)
- 28. Member, Pakistan Disaster Risk Reduction Forum
- 29. Member, National Steering Committee - ONE (UN) WOMEN

- 30. Member, Strategic Advisory Group National Shelter cluster – UNOCHA
- 31. Member, UN Women Civil Society Advisory Group (UNW/CSAG)
- 32. Member, BoD Liberal Forum Pakistan
- 33. Member, Constituency Relations Group (CRG) - Supporting Transparency Accountability and Electoral Processes in Pakistan (Free and Fair Election Network)
- 34. Member, Steering Committee Aman Tahreek

## Punjab

- 1. Member, Mumkin Alliance; host for the Punjab Secretariat
- 2. Coordinating Member, of the South Punjab NGOs Forum (Multan)

- 3. Member, Forum Against Child Marriages, Punjab
- 4. Member, Protection against Domestic Violence, Punjab

## Sindh

- 1. Executive Member and host of the current Provincial secretariat – Joint Action Committee (Karachi, Sindh)
- 2. Member, Regional (Sindh) – Accountability Learning Watch Group (ALWG)
- 3. Member, Joint Action Committee, Hyderabad
- 4. Member, Advisory Council - Voice of New Generation Hyderabad, Sindh

- 5. Member, Sindh Disaster Response Forum
- 6. Member, Community Advocacy Dialogue Forum, Kech - Mercy Corps Hyderabad, Sindh
- 7. Member, Advisory Committee - Women Technical College, Qasimabad, Hyderabad, Sindh
- 8. Member, BoD Health and Nutrition Society Hyderabad, Sindh

## Khyber Pakhtoonkhwa

- 1. Member, District Technical Committee (DTC)- Population Welfare Department, District D.I. Khan, Khyber Pakhtunkhwa
- 2. Member, District Agriculture Advisory Council - D.I. Khan, Khyber Pakhtunkhwa
- 3. Member, Dera Development Forum (DDF) - D.I. Khan, Khyber Pakhtunkhwa
- 4. Member, Pakhtunkhwa Jamhoori Taroon, Khyber Pakhtunkhwa

- 5. Member, Aalami Pukhto Congress, Khyber Pakhtunkhwa
- 6. Member, Pak-Afghan Peoples' Forum, Khyber Pakhtunkhwa
- 7. Member, Pakhtun Awareness Movement (PAM), Khyber Pakhtunkhwa
- 8. Member, Humanitarian Assistance Network, Khyber Pakhtunkhwa
- 9. Member, Aman Tehrik Network, Peshawar

# Balochistan

1. Member, General Body of All Balochistan Academy, Turbat
2. Member, Provincial Steering Committee - Strengthening Poverty Reduction Strategy and Monitoring (SPRSM), Balochistan
3. Focal Organization of Balochistan Humanitarian Response Network (BHRN)
4. Member, Human Rights Cell; Directorate of Human Rights Pakistan, Balochistan
5. Member, Balochistan Mahigeer Network, Turbat





# SPO-UK's Governance

SPO-UK is a subsidiary of SPO Pakistan. It is a Company Limited by Guarantee and a Charity incorporated/registered respectively by the Companies House on 14th June 2011 and the Charities Commission of England & Wales in March 2012 under the Companies Act 2006.

The organization works in the areas of prevention or relief of poverty, advancement of education, environmental protection and promotion/protection of human rights, with a special focus on women, children and marginalized communities.

During the period July 2016 to June 2017, Meetings of the Board of Directors of SPO-UK took place as per schedule. Major areas of deliberations were:

- The SPO-UK annual report and the audited accounts were shared promptly with the Charities Commission.
- Efforts are being made to induct Members and mobilize resources
- Two new Members namely Mrs. Talat Lalji and Mrs. Bashan Rafiq were identified for induction on SPO-UK Board
- Ms. Natasha Shaikh was given the charge of managing the affairs of SPO-UK as Mr. Zaffar Bugtti is moving back to Pakistan.

## **Social Development Enterprise**

Social Development Enterprise (SDE) is an income generating subsidiary of SPO. SDE is a non-profit company registered under the Companies Ordinance (1984), and was established by SPO in 2013 as a subsidiary social enterprise wing to raise sustainable revenue for the effective implementation of community development programmes.

SDE continued its current mandate of supporting social enterprise through the capacity building of communities and professionals, with a focus on community institutions, networks, activists and volunteers. SDE is facilitating in building these capacities through its two residential training units in Hyderabad and Quetta.

With a view to remain competitive in the market and pursue opportunities to diversify SDE's revenue generating social enterprises, SDE undertook a strategic review over the past year to identify opportunities to expand its social enterprising outreach across different sectors and regions. As a result of the strategic review process, SDE is pursuing a number of enterprising approaches to benefit community development programmes.

## **Management Information System (MIS)**

Presently, SPO's Management Information System caters to programme, planning, reporting, data analysis, on-going monitoring and real-time reporting of the achievements of programme teams against their respective work plans. Today, SPO's MIS application is viewed as one of the finest applications in the development sector. The MIS application has not only brought efficiency, reduced costs, improved quality but also enabled introduction of a significantly reduced paper environment across nine countrywide offices of SPO. Over the past five years, another important use of this application has been the archiving of important institutional data including proposals, donor reports, research studies, discussion and policy review papers, M&E and financial reports, partner organizations profiles and SPO's thematic profiles and project fact sheets, thus providing users with a tool of knowledge management.

# Human Resource Development

## **Staff Recruitment:**

SPO staff strength varies every month depending on the inflow of different projects. This year SPO HR department appointed a total of 167 new staff members in its National Centre, Regional and Project offices.

An outflow of staff also takes place round the year for various reasons (eg. end of projects etc.) allowing for total staff strength to steady out at 197 employees in June 2017.

## **Highlights:**

The year 2016-2017 saw the inclusion of one more women manager i.e. from the Human Resource Department to Senior Management position and a decision-making role. This is a positive step and a direct outcome of SPO's Gender Policy which aims for an equal-gender-ratio at all tiers.

To promote the best interests of staff, SPO also revised its budgets for Medical Insurance and Life Insurance benefits offered for employees in the current year. The proposed increase was realized in co-operation with Adamjee Insurance Company and EFU Life Assurance Company, an AA + ranked

companies by SECP which were selected as the vendor for the current financial year.

On-line attendance software was developed in-house linked with biometric machines to facilitate staff especially in remote areas, to access their real-time daily attendance.

## **Staff Development**

The Human Resource Development (HRD) plan at SPO provides a framework for the development of its human capital and identification of skill requirements. The senior management staunchly believes that without investing in its human resource, success cannot be achieved at any level. Based on that belief, SPO's management provides equal learning opportunities for its staff members through various national and international training courses.

During the past year, SPO supported 15 National level trainings for 12 female members and 3 male staff members and 24 International trainings for 16 male members and 8 female staff members. Some more exciting staff development initiatives are planned for the coming years.



# Financial Statements

for the year ended June 30, 2017



**Building a better  
working world**

**STRENGTHENING PARTICIPATORY ORGANIZATION**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2017**

EY Ford Rhodes  
Chartered Accountants  
Eagle Plaza 75-West, Fazlul-Haq Road  
Blue Area, P.O. Box 2388  
Islamabad 44000, Pakistan

Tel: +9251 234 4160-62



## AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed Balance Sheet of **Strengthening Participatory Organization** (the Company) as at **30 June, 2017** and the related Income and Expenditure Account, Statement of Comprehensive Income, Statement of Changes in Fund and Cash flow Statement 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 except for the changes as stated in note 2 and 3 to the financial statements, with which we concur;
  - (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;



Building a better  
working world

- (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, Statement of Comprehensive Income, Statement of Changes in Fund and Cash flow Statement 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, 2017** and of the surplus, its cash flows and changes in unrestricted funds for the year then ended; and
- (d) in our opinion, no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

*EY Feroz Raza*  
**Chartered Accountants**

**Audit Engagement Partner's Name:** Khayyam Mushir

**Date:** 11 October, 2017

**Place:** Islamabad

**STRENGTHENING PARTICIPATORY ORGANIZATION**  
**(A Company registered under Section 42 of the Companies Ordinance, 1984)**  
**BALANCE SHEET**  
**AS AT JUNE 30, 2017**

	Note	2017 -----Rupees-----	2016 -----Rupees-----
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property and equipment	6	117,818,294	181,479,582
Investment property	7	46,872,666	-
Intangible assets	8	5,028	63,867
		164,695,988	181,543,449
<b>CURRENT ASSETS</b>			
Grants receivable	17.1	34,339,048	11,571,893
Advances	9	740,709	1,113,600
Deposits and short-term prepayments	10	5,121,873	3,907,654
Interest accrued		57,486	1,246,895
Other receivables	11	10,224,519	13,244,132
Tax refunds due from Government	12	7,821,261	5,674,200
Short-term investments	13	1,224,902	129,000,000
Cash and bank balances	14	306,533,015	192,822,559
		366,062,813	358,580,933
<b>TOTAL ASSETS</b>		<b>530,758,801</b>	<b>540,124,382</b>
<b>FUNDS AND LIABILITIES</b>			
<b>FUNDS</b>			
<b>SURPLUS ON REVALUATION OF FIXED ASSETS</b>	15	46,912,490	58,158,602
<b>NON-CURRENT LIABILITIES</b>			
Deferred grants against purchase of fixed assets	16	7,225,700	23,264,053
Deferred grants against operating activities	17	27,989,116	30,271,139
		35,214,816	53,535,192
<b>CURRENT LIABILITIES</b>			
Accrued and other liabilities	18	16,064,280	10,772,083
<b>TOTAL FUNDS AND LIABILITIES</b>		<b>530,758,801</b>	<b>540,124,382</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
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The annexed notes, from 1 to 34, form an integral part of these financial statements.

  
 CHIEF EXECUTIVE

  
 DIRECTOR

**STRENGTHENING PARTICIPATORY ORGANIZATION**  
**(A Company registered under Section 42 of the Companies Ordinance, 1984)**  
**INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 30 JUNE, 2017**

	Note	2017 -----Rupees-----	2016 -----
<b>INCOME</b>			
Grant income	20	461,317,685	519,470,999
<b>EXPENDITURE</b>			
Programme activities:			
Programme expenses	21	(373,240,352)	(396,922,904)
Grants to Community Based Organizations (CBOs)/others	22	(49,885,055)	(76,782,321)
		(423,125,407)	(473,705,225)
Administrative expenses	23	(55,119,359)	(57,143,292)
Other operating income	24	21,157,553	20,023,717
<b>SURPLUS FOR THE YEAR BEFORE TAX</b>		<b>4,230,472</b>	<b>8,646,199</b>
Taxation		(567,874)	(1,219,017)
<b>NET SURPLUS FOR THE YEAR (transferred to unrestricted funds)</b>		<b>3,662,598</b>	<b>7,427,182</b>

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

  
 CHIEF EXECUTIVE

  
 DIRECTOR

**STRENGTHENING PARTICIPATORY ORGANIZATION**  
**(A Company registered under Section 42 of the Companies Ordinance, 1984)**  
**STATEMENT OF OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE, 2017**

	2017	2016
	-----Rupees-----	
<b>SURPLUS FOR THE YEAR</b>	3,662,598	7,427,182
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR</b>		
Surplus on revaluation of fixed assets	-	32,061,984
(Other comprehensive income not transferred to unrestricted fund and not to be reclassified to income and expenditure in subsequent periods)		
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	3,662,598	39,489,166

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

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 \_\_\_\_\_  
 CHIEF EXECUTIVE

  
 \_\_\_\_\_  
 DIRECTOR

**STRENGTHENING PARTICIPATORY ORGANIZATION**  
**(A Company registered under Section 42 of the Companies Ordinance, 1984)**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE, 2017**

Note	2017	2016
	------(Rupees)-----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Surplus for the year</b>	3,662,598	8,646,199
Adjustments for non-cash charges and other items:		
Depreciation	21,814,778	31,507,133
Incremental depreciation on revaluation surplus	369,051	-
Receivables written-off	171,224	1,265,597
Amortization	58,839	114,310
Funds against closed projects	1,230	-
Realization of revaluation surplus	(369,051)	-
Liabilities written back	(380,802)	(1,072,513)
Gain on sale of fixed assets	(461,975)	(2,110,125)
Unrealized exchange loss	(794,022)	688,370
Gain on revaluation of investment property	(3,333,333)	-
Return on saving accounts	(6,214,035)	(6,378,962)
Realized exchange gain	(15,860,506)	(14,624,839)
Grant income	(461,317,685)	(519,470,999)
Grant adjustments	-	5,163,504
<b>Operating (deficit) before working capital changes</b>	<b>(462,653,689)</b>	<b>(496,272,325)</b>
<b>Working capital changes:</b>		
<b>(Increase) / decrease in current assets</b>		
Advances	372,891	(594,427)
Deposits and short-term prepayments	(1,214,219)	(338,832)
Other receivables	2,848,389	(7,323,595)
<b>Increase in current liabilities</b>		
Accrued and other liabilities	5,672,999	(11,564,473)
<b>Cash (used in) operations</b>	<b>(454,973,629)</b>	<b>(516,093,652)</b>
Advance tax paid	(2,147,061)	(1,863,172)
Grants received	420,228,924	508,571,565
Exchange gain realized on foreign grant	15,860,506	13,936,469
Amount refunded to donors	-	(2,274,176)
<b>Net cash (used in) / generated from operating activities</b>	<b>(21,031,260)</b>	<b>2,277,034</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Capital expenditure	(1,729,400)	(14,783,835)
Proceeds from sale of fixed assets	498,552	2,154,765
Interest received	7,403,444	7,035,750
<b>Net cash generated from / (used in) investing activities</b>	<b>6,172,596</b>	<b>(5,593,320)</b>
Net decrease in cash and cash equivalents	(14,858,664)	(3,316,286)
Cash and cash equivalents at the beginning of the year	321,822,559	325,827,215
Effect of changes in exchange rate	794,022	(688,370)
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>307,757,917</b>	<b>321,822,559</b>

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



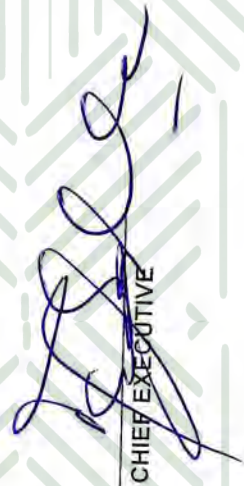
CHIEF EXECUTIVE



DIRECTOR

**STRENGTHENING PARTICIPATORY ORGANIZATION**  
 (A Company registered under Section 42 of the Companies Ordinance, 1984)  
**STATEMENT OF CHANGES IN FUND**  
**FOR THE YEAR ENDED 30 JUNE, 2017**

	Unrestricted funds			Total
	SPO Receipts	SPO Training Units	Vehicle Reserve Fund	
<b>Balance at 30 June 2015</b>	261,360,247	74,564,541	73,990,955	409,915,743
Net surplus for the year	5,523,792	167,400	1,735,990	7,427,182
Other comprehensive income	-	-	-	-
Amortization of revaluation surplus	5,523,792	167,400	1,735,990	7,427,182
	315,580	-	-	315,580
<b>Balance at 30 June 2016</b>	<b>267,199,619</b>	<b>74,731,941</b>	<b>75,726,945</b>	<b>417,658,505</b>
Net surplus for the year	2,828,018	760,139	74,441	3,662,598
Other comprehensive income	-	-	-	-
Transfer of revaluation surplus	2,828,018	760,139	74,441	3,662,598
Amortization of revaluation surplus	10,877,061	-	-	10,877,061
	369,051	-	-	369,051
<b>Balance at 30 June 2017</b>	<b>281,273,749</b>	<b>75,492,080</b>	<b>75,801,386</b>	<b>432,567,215</b>

  
 CHIEF EXECUTIVE

  
 DIRECTOR

**STRENGTHENING PARTICIPATORY ORGANIZATION**  
**(A Company registered under Section 42 of the Companies Ordinance, 1984)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE, 2017**

**1 LEGAL STATUS AND OPERATIONS**

Strengthening Participatory Organization ("SPO" or "the Company"), was incorporated on 15 January, 1994, under Section 42 of the Companies Ordinance, 1984 as a company limited by guarantee, having its registered office in Islamabad. It is one of the largest right-based civil society organization of Pakistan working for the capacity building of community based organizations and public interest institutions through training and technical assistance, research, advocacy, linkages and networking.

The Company receives grants from various national and multinational organizations for implementation of its objectives. SPO strives to address the emerging issues in the particular socio-economic context of Pakistan through its core programme areas of democratic governance, social justice and peace and social harmony. In addition, SPO has a component of humanitarian response that deals with disasters and emergency situation.

The registered office of the Company is situated at First floor, Ahmed Arcade, Street # 169, G-13/3, Islamabad, with regional/project/satellite offices in 12 cities of Pakistan, including Karachi, Lahore, Quetta, Peshawar, Hyderabad, and Multan, among others.

**2 STATEMENT OF COMPLIANCE**

These financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board and the Accounting Standard for Not for Profit Organizations (NPOs) issued by the Institute of Chartered Accountants of Pakistan, as are notified under the Companies Ordinance, 1984, the provisions of and directives issued thereunder. In case requirements differ, the provisions or directives of the Companies Ordinance, 1984 shall prevail.

The management has adopted the Accounting Standard for NPOs with effect from July 01, 2016, and has assessed that the adoption has not resulted in the recognition / derecognition of any asset or liability, which had already been recognized under the existing applicable financial reporting framework.

**3 AMMENDMENTS TO APPROVED ACCOUNTING STANDARDS THAT ARE NOT YET EFFECTIVE**

The following amendments with respect to the approved accounting standards, as applicable in Pakistan, would be effective from the dates mentioned below against the respective standard and have not been adopted early by the Company:

Standard	Effective date (annual periods beginning on or after)
IFRS 2 Share-based Payment (Amendment) - Classification and Measurement of Share-based Payment Transactions	01 January, 2018
IFRS 10 Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 28 Investment in Associates and Joint Ventures - Investment Entities: Applying the Consolidation Exception (Amendment)	Not yet effective
IAS 7 Statement of Cash Flows (Amendments) - Disclosure initiative	01 January, 2017
IAS 12 Income Taxes (Amendments) - Recognition of Deferred Tax Assets for unrecognized losses	01 January, 2017
IAS 40 Investment Property (Amendments) - Clarifying transfers of property to, or from, Investment Property	01 January, 2018
IFRIC 22 Foreign Currency Transactions and Advance Consideration	01 January, 2019

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**STRENGTHENING PARTICIPATORY ORGANIZATION**  
**(A Company registered under Section 42 of the Companies Ordinance, 1984)**

<b>Standard</b>	<b>Effective date (annual periods beginning on or after)</b>
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IFRIC 23 Uncertainty over Income Tax Treatments	01 January, 2019
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The above amendments are not expected to have any material impact on the Company's financial statements in the period of their initial application.

In addition to the above amendments, improvements to various accounting standards (under the Annual Improvements 2014 - 16 cycle) have also been issued by the IASB. Such improvements are effective for accounting periods beginning on or after 01 January, 2017 or 01 January, 2018. The Company expects that such improvements to the standards will not have any material impact on the Company's financial statements in the period of initial application.

Further, the following new standards have been issued by the IASB, which are yet to be notified by the SECP for the purpose of applicability in Pakistan:

<b>Standard</b>	<b>Effective date (annual periods beginning on or after)</b>
IFRS 1 First-time Adoption of International Financial Reporting Standards	01 July, 2009
IFRS 9 Financial Instruments: Classification and Measurement	01 January, 2018
IFRS 14 Regulatory Deferral Accounts	01 January, 2016
IFRS 15 Revenue from Contracts with Customers	01 January, 2018
IFRS 16 Leases	01 January, 2019
IFRS 17 Insurance Contracts	01 January, 2021

#### 4 **BASIS OF PREPARATION**

The accompanying financial statements have been prepared under the 'historical cost convention', except for freehold land and building, which have been measured at revalued amounts.

These financial statements are the separate financial statements of the Company. The Company also prepares consolidated financial statements.

#### 5 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies adopted are the same as those employed in the previous year.

##### 5.1 **Significant accounting estimates and judgements**

While applying the accounting policies as stated in Note 5.2 to 5.15 to the Financial Statements, the management of the Company has made certain judgments, estimated and assumptions that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year of the revision in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

##### **Key sources of estimation uncertainty**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

##### i) **Impairment of grant and other receivables**

An estimate of the collectible amount of grant and other receivable is made when collection of the full

amount is no longer probable. For individually significant amounts, this estimation is performed on an individual basis. Amounts which are not individually significant, but which are past due, are assessed collectively and a provision applied according to the length of time past due, based on historical recovery

At the reporting date, gross grant receivable amounted to Rs. 34,339 thousand (2016: Rs 11,571 thousand) and other receivable amounted to Rs. 10,224 thousand (2016: 13,244 thousand) against which provision for doubtful debts amounting to Rs. 1.212 million (2016: Rs. 1.212 million) was provided for. Any difference between the amounts actually collected in future periods and the amounts expected will be recognised in the income and expenditure account.

ii) **Useful life of Property and equipment**

Management of the Company determines the estimated useful lives of its property and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and the future depreciation charge would be adjusted where management believes that the useful lives differ from previous

iii) **Impairment of property, equipment and intangible assets**

Property, equipment and intangible assets are assessed for impairment based on assessment of cash flows on individual cash-generating units when there is indication of impairment.

The carrying amount of property and equipment at 30 June 2017 was Rs. 117,818 thousand (2016: Rs. 181,479 thousand).

The carrying amount of intangible assets at 30 June 2017 was Rs. 5,028 (2016: Rs. 63,867).

The net present values are compared to the carrying amounts to assess any probable impairment.

iv) **Revaluation of property**

The Company engaged an independent valuation specialist to assess the fair value of properties as at 30 June 2016. Properties were valued by reference to fair value method.

v) **Fair value of investment property**

In order to assess the fair value of the investment property, the Company has obtained an independent valuation report. Management believes that the appraised value reflects the true fair value of property in light of current economic situations. The total fair value of investment property at 30 June 2017 amounted to Rs. 46,872 thousand (2016: Rs. Nil).

**Classification of properties**

In the process of classifying properties, management has made various judgments. Judgment is needed to determine whether a property qualifies as an investment property or property and equipment. The Company develops criteria so that it can exercise that judgment consistently in accordance with the definitions of investment property and equipment. In making its judgment, management considered the detailed criteria and related guidance for the classification of properties as set out in IAS 16 and IAS 40, in particular, the intended usage of property as determined by management.

**5.2 Property and equipment**

Property and equipment, except freehold land and buildings, are stated at cost less accumulated depreciation and impairment, if any. Freehold land and buildings are stated at revalued amounts less accumulated depreciation and impairment losses, if any.

Depreciation is charged to the Income and Expenditure Account applying the straight-line method, whereby the cost of an asset is written-off over its estimated useful life. The rates of depreciation are stated in note 6 to the financial statements. Depreciation on additions is charged from the month of acquisition with no charge of depreciation in the month of deletion.

**STRENGTHENING PARTICIPATORY ORGANIZATION**  
**(A Company registered under Section 42 of the Companies Ordinance, 1984)**

Useful lives are determined by the management based on the expected usage of assets, the expected physical wear and tear, technical and commercial obsolescence, legal and similar limits on the use of assets and other similar factors.

The assets' residual values, useful lives and methods are reviewed and adjusted, if appropriate, at each financial year end. The effect of any adjustment to residual values, useful lives and methods is recognized prospectively as a change in accounting estimate.

Surplus on revaluation of property and equipment is credited to the surplus on revaluation account. To the extent of incremental depreciation charged on the revalued assets, the related surplus on revaluation is transferred directly to unrestricted funds.

The carrying values of property and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying values may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount.

An item of property and equipment is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income and expenditure account in the year the asset is derecognized, and the related surplus on the revaluation is transferred directly to unrestricted funds.

Normal repairs and maintenance costs are charged to the Income and Expenditure Account as and when incurred.

### 5.3 Investment property

Investment property is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment property is stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of the investment property are included in the Income and Expenditure Account in the period in which they arise, including the corresponding tax effect. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the Pakistan Banking Association.

Investment property is derecognised either when it has been disposed-off or when it is permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Income and Expenditure Account in the period of derecognition.

Transfers are made to/(from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the accounts for such property in accordance with the policy stated under property and equipment up to the date of change in use.

### 5.4 Intangibles

These are stated at cost less accumulated amortization and impairment, if any.

Amortization is provided for by applying the straight-line method. A full month's amortization is charged in the month of addition, and no amortization is charged in the month of disposal, to the Income and Expenditure Account.

The rate of amortization, which is disclosed in note 8, is designed to write-off the cost of intangibles over the estimated useful lives of these assets.

The carrying values of intangible assets are reviewed for impairment when events or changes in circumstances indicate that the carrying values may not be recoverable. If any such indication exists, and where the carrying values exceed the estimated recoverable amounts, the assets or cash-generating units are written down to their recoverable amounts. The recoverable amount of intangible assets is the greater of fair value less costs to sell and value-in-use.



**STRENGTHENING PARTICIPATORY ORGANIZATION**  
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**5.5 Investments**

**Held-to-maturity**

Investments in securities with fixed maturities, where management has both the intent and the ability to hold to maturity, are classified as held-to-maturity, and carried at amortized cost. This cost is computed as the amount initially recognized minus principal repayments, plus or minus the cumulative amortization, using the Effective Interest Rate method, of any difference between the initially recognized amount and the maturity amount. This calculation includes all fees and points paid or received between parties to the contract that are an integral part of the Effective Interest Rate, transaction costs and all other premiums and discounts. For investments carried at amortized cost, gains and losses are recognized in the Income and Expenditure Account when the investments are derecognized or impaired, as well as through the amortization process.

**5.6 Cash and cash equivalents**

For the purpose of the statement of cash flows, cash and cash equivalents comprise of the Company's balances of cash in hand, cash at banks and other short-term financial assets, which are highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

**5.7 Funds**

The Company has setup three reserves, namely the "SPO Training Unit", "Vehicle Reserve Fund" and "SPO Receipts". The nature of these unrestricted funds is explained below:

**5.7.1 SPO Receipts**

This represents the balance of net surpluses, except those described under notes 5.7.2 and 5.7.3.

**5.7.2 SPO Training Unit**

This represents the net surplus generated from training related activities, including training fees charged to donors.

**5.7.3 Vehicle Reserve Fund**

This represents the net surplus generated from vehicle rental income charged to donors.

**5.8 Provisions**

A provision is recognized when, and only when, the Company 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.

**5.9 Staff retirement benefits - Defined contribution plan**

The Company operates a defined contribution provident fund scheme for its eligible employees. The fund is recognized and is fully funded. Contributions to the fund are made by the Company and its employees in accordance with the rules of the fund. The rate of employer and employee contributions is 10% of the basic pay of eligible employees.

**5.10 Taxation**

SPO obtained the registration as a "non-profit organization" under section 2(36) of the Income Tax Ordinance, 2001 (the Ordinance) from the Commissioner of Inland Revenue. In the year 2016, owing to a change in rule 214 of the Income Tax Rules, 2002, SPO registration under the section 2(36) of the Income Tax Ordinance, 2002 expired. During the year, the Company has applied for renewal, the response for which is awaited.

**STRENGTHENING PARTICIPATORY ORGANIZATION**  
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SPO meets the criteria of a non-profit organization as defined in the Ordinance, and accordingly, management considers that a 100% tax credit under section 100C of the Ordinance is available to SPO in respect of its incomes specified in the said section. Accordingly, no provision for taxation has been recognized in these financial statements.

**5.11 Revenue recognition**

**5.11.1 Grant income**

Grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

**5.11.2 Grants against operating activities**

Grants of a non-capital nature are recognized as deferred grant at the time of their receipt. Subsequently, these are recognized in the Income and Expenditure Account to the extent of expenditure incurred. Expenditure incurred against grants, against which grant funds have been committed but not received, is recognized in the Income and Expenditure Account and is reflected as a receivable from donors in the Balance Sheet.

**5.11.3 Grants against purchase of fixed assets**

Grants received for the purchase of fixed assets are initially recorded as deferred income upon receipt. Subsequently, these are recognized in the Income and Expenditure Account, on a systematic basis, over the periods necessary to match them with the carrying value of the related assets.

**5.11.4 Profit on savings account and short-term investment**

Profit on savings accounts is recognized using the Effective Interest Rate method.

**5.12 Foreign currency translation**

These financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency. Foreign currency transactions, during the year, are recorded at the exchange rates approximating those ruling on the date of the transactions. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange, which approximate those prevailing on the balance sheet date. Gains and losses on translation are taken to income currently. Non-monetary items that are measured in terms of historical cost in a foreign currency, are translated using the exchange rates prevailing at the dates of the initial transactions. Non-monetary items measured at fair values in a foreign currency, are translated using the exchange rates prevailing at the dates when the fair values were determined.

**5.13 Offsetting of financial assets and liabilities**

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet, if the Company has a legally enforceable right to set-off the recognized amounts, and intends either to settle these on a net basis, or to realize the assets and settle the liabilities, simultaneously.

**5.14 Impairment**

**5.14.1 Financial assets**

A financial asset is assessed at each balance sheet date, to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired, if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of the asset.

**5.14.2 Non-financial assets**

The carrying values of non-financial assets are assessed at each balance sheet date, to determine whether there is any indication of impairment. If any such indication exists, then the recoverable amount of the non-financial assets is estimated. An impairment loss is recognized as an expense in the Income and Expenditure Account, for the amount by which the non-financial asset's carrying value exceeds its recoverable amount.

### 5.15 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a) In the principal market for the asset or liability; or
- b) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's Head of Finance determines the policies and procedures for both recurring fair value measurement and for non-recurring measurement. External valuers may be involved for valuation of significant assets and significant liabilities. For the purpose of fair value disclosures, the Company determines classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

6 PROPERTY AND EQUIPMENT

Note	2017	2016
	Rupees	
6.1	117,000,895	180,662,183
6.2	817,399	817,399
	<u>117,818,294</u>	<u>181,479,582</u>

6.1 OPERATING FIXED ASSETS

Note	COST			ACCUMULATED DEPRECIATION			WRITTEN DOWN VALUE
	As at July 01, 2016	Additions	As at June 30, 2017	Disposals / Transfer* (note 6.4)	Adjustment on revaluation	As at June 30, 2017	
Freehold land	114,026,550	-	80,693,217	(33,333,333) *	-	-	80,693,217
Building on freehold land	40,082,397	-	29,876,397	(10,206,000)	-	-	28,382,577
Electrical appliances and equipment	42,045,488	310,200	38,902,041	(3,453,647)	-	-	2,505,096
Vehicles	76,407,436	104,000	73,208,483	(3,302,953)	-	-	1,756,770
Computer equipment	43,710,008	1,133,000	41,942,155	(2,900,853)	-	-	1,986,906
Furniture and fixtures	15,947,019	182,200	15,105,418	(1,023,800)	-	-	1,676,359
	<u>332,218,898</u>	<u>1,729,400</u>	<u>279,727,712</u>	<u>(54,220,586)</u>	-	-	<u>117,000,895</u>

Note	COST			ACCUMULATED DEPRECIATION			WRITTEN DOWN VALUE
	As at July 01, 2015	Additions	As at June 30, 2016	Disposals	Adjustment on revaluation	As at June 30, 2016	
Freehold land	91,600,300	-	114,026,550	-	-	-	114,026,550
Building on freehold land	41,682,640	-	40,082,397	-	(11,235,977)	-	40,082,397
Electrical appliances and equipment	40,060,005	2,149,966	42,045,488	(164,483)	-	-	7,504,407
Vehicles	72,145,319	7,115,000	76,407,436	(2,852,883)	-	-	12,122,087
Computer equipment	39,966,516	4,015,152	43,710,008	(271,660)	-	-	3,159,301
Furniture and fixtures	14,770,701	1,191,318	15,947,019	(15,000)	-	-	3,767,441
	<u>300,225,481</u>	<u>14,471,436</u>	<u>332,218,898</u>	<u>(3,304,026)</u>	<u>(11,235,977)</u>	<u>(11,235,977)</u>	<u>160,662,183</u>

6.2 This represents payments made to a vendor in respect of soil testing and architectural designs for the construction of a building in Multan.

6.3 Depreciation for the year has been charged entirely to administrative expenses (Note 22).

6.4 This represents the transfer of freehold land and building from property and equipment to investment property, due to a change in use.

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6.5 The revalued freehold lands and buildings consist of land and office properties, located in Islamabad, Hyderabad, Multan and Turbat regions of the Company. The management of the Company determined that these constitute one class of asset under IFRS 13, based on the nature, characteristics and risks of the land and properties. Accordingly these have been reclassified under investment property.

6.6 The fair value of the freehold land and properties were determined using the comparative value method. This means that valuations performed by the valuer are based on active market prices, through market inquiries of market rates for similar sized plots in the vicinity, which have significantly been adjusted for differences in the nature, location or condition of the specific property. The valuations of buildings were based on the present costs of construction for a similar structure. As at the date of revaluation held in the previous year, on 30 June, 2016, the properties' fair values were based on valuations performed by various, accredited independent valuers, who were duly registered with the Pakistan Banking Association, as at that date. Since then, there have been no significant changes in the economic indicators underlying the valuation, which would materially impact the fair valuation of the assets.

6.7 Fair value measurement of the assets:

	Date of valuation	Rupees	
		Significant observable inputs	Significant unobservable inputs (Level 3)
Land	30 June, 2016	80,693,217	80,693,217
Buildings	30 June, 2016	29,876,397	29,876,397
		<u>110,569,614</u>	<u>80,693,217</u>
			<u>29,876,397</u>

6.8 Significant observable input:

2016	Price in Rupees per square feet	Range
Land		Rs. 122 to Rs. 11,111
Buildings		Rs. 632 to Rs. 1,799

6.9 If land and buildings were measured using the cost model, the carrying amounts would be as follows:

	Rupees	
	Land	Buildings
Cost	75,066,234	22,495,382
Accumulated depreciation	(13,195,645)	(13,195,645)
Net carrying amount	<u>61,870,589</u>	<u>9,299,737</u>

6.10 There were no transfers between the fair value measurement hierarchy during the year.



7	<b>INVESTMENT PROPERTY</b>	2017	2016
		-----Rupees-----	
i)	<b>Qualitative and quantitative disclosures</b>		
	Opening balance as at 01 July	-	-
	Additions (subsequent expenditure)	43,539,333	-
	Gain from fair value measurement	3,333,333	-
	<b>Balance as at 30 June</b>	<b>46,872,666</b>	<b>-</b>

The Company's investment property consists of one property located in Sector E-11/3, Islamabad. Management determined that the investment property consists of two classes of assets - land and building - based on the nature, characteristics and risks of the property.

As at 30 June 2017, the fair value of the property was based on a valuation performed by Impulse (Private) Limited, an accredited independent valuer. A valuation was made by the valuer using the comparative value method in accordance with the recommendations of the Pakistan Banking Association.

	2017	2016
	-----Rupees-----	
Rental income derived from investment property	1,980,000	-
Direct operating expenses generating rental income	(451,266)	-
Direct operating expenses that did not generate rental income	-	-
<b>Profit arising from investment properties carried at fair value</b>	<b>1,528,734</b>	<b>-</b>

The Company has no restrictions on the realisability of its investment property and no contractual obligations to purchase, construct or develop the investment property or for repairs, maintenance and enhancements.

ii)	<b>Fair value related disclosures</b>	2017	2016
		-----Rupees-----	
	<b>Reconciliation of fair value:</b>	<b>Land</b>	<b>Building</b>
	As at 1 July 2016	33,333,333	10,206,000
	Remeasurement recognized in the Income and Expenditure Account	3,333,333	-
	Purchases	-	-
	<b>As at 30 June 2017</b>	<b>36,666,666</b>	<b>10,206,000</b>

iii) **DESCRIPTION OF VALUATION TECHNIQUES USED AND KEY INPUTS TO VALUATION OF INVESTMENT PROPERTIES**

The Company carries its investment property at fair value, with changes in fair value being recognized in the Income and Expenditure Account. The Company engaged an independent valuation specialist to assess the fair value, as at 30 June 2017, of the investment property. For the investment property, a valuation methodology based on the comparative value method was used. The key assumptions used to determine the fair value of the investment properties and sensitivity analyses, are further discussed below:

	Valuation technique	Significant observable inputs	Range	
			2017	2016
			-----Rupees-----	
Land and building	Comparative value method	Estimated rental value per sqm per month	3,757	-

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iv) **FAIR VALUE MEASUREMENT HEIRARCHY**

Fair value measurement hierarchy for assets as at 30 June, 2017

	Date of valuation	Fair value measurement using		
		Total	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Investment property</b>				
Land	30 June, 2017	36,666,666	36,666,666	-
Building	30 June, 2017	10,206,000	-	10,206,000
		<u>46,872,666</u>	<u>36,666,666</u>	<u>10,206,000</u>

8	<b>INTANGIBLE ASSET</b>	Note	2017	2016
			-----Rupees-----	
	<b>Cost</b>			
	Balance as at 01 July		2,070,326	2,070,326
	Additions during the year		-	-
			<u>2,070,326</u>	<u>2,070,326</u>
	<b>Accumulated amortization</b>			
	Balance as at 01 July		(2,006,459)	(1,892,149)
	Charge for the year		(58,839)	(114,310)
			<u>(2,065,298)</u>	<u>(2,006,459)</u>
	<b>Balance as at 30 June</b>		<u>5,028</u>	<u>63,867</u>
	<b>Rate of amortization</b>		33%	33%
9	<b>ADVANCES</b>			
	Considered good - to employees against expenses		351,277	225,623
	against salaries		389,432	887,977
			<u>740,709</u>	<u>1,113,600</u>
10	<b>DEPOSITS AND SHORT-TERM PREPAYMENTS</b>			
	<b>Deposits</b>		2,672,519	2,085,919
	Security deposits			
	<b>Short-term prepayment</b>			
	Rent		858,000	898,730
	Insurance		322,274	665,805
	PO/CSN/Networks		203,000	200,000
	Others		1,066,080	57,200
			<u>2,449,354</u>	<u>1,821,735</u>
			<u>5,121,873</u>	<u>3,907,654</u>
11	<b>OTHER RECEIVABLES</b>			
	Considered good			
	Receivable from employees		163,544	161,886
	Receivable from Partner NGO's and donors		19,047	3,030,293
	Receivable from subsidiary company		8,550,585	8,083,496
	Others		1,491,343	1,968,457
			<u>10,224,519</u>	<u>13,244,132</u>
	Considered doubtful			
	Receivable from previous landlord		1,212,759	1,212,759
			<u>11,437,278</u>	<u>14,456,891</u>
	Provision against doubtful other receivables		(1,212,759)	(1,212,759)

**STRENGTHENING PARTICIPATORY ORGANIZATION**  
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12	<b>TAX REFUNDS DUE FROM THE GOVERNMENT</b>	Note	2017 -----Rupees-----	2016 -----Rupees-----
	Advance income tax		18,428,777	15,713,842
	Provision for taxation		(10,607,516)	(10,039,642)
			<u>7,821,261</u>	<u>5,674,200</u>
13	<b>SHORT-TERM INVESTMENT</b>			
	<b>Investment for deceased employee</b>		1,224,902	-
	Held-to-maturity			
	Term Deposit Receipts (TDRs)			
	Cost	13.1	-	129,000,000
	Accrued interest at Effective Interest Rate		1,946	1,200,000
			<u>1,226,848</u>	<u>130,200,000</u>
	Shown as part of accrued interest		(1,946)	(1,200,000)
			<u>1,224,902</u>	<u>129,000,000</u>

13.1 The above TDRs, having a maturity period of three months, have been placed with the following financial institutions:

Name of financial institution	Rate of mark-up	Maturity date	2017 -----Rupees-----	2016 -----Rupees-----
Habib Bank Limited	4.30%	20 Sep, 2017	1,224,902	-
Silk Bank Limited	5.75%	20 July, 2016	-	50,000,000
Silk Bank Limited	5.75%	16 Oct, 2016	-	50,000,000
Silk Bank Limited	5.75%	1 Oct, 2016	-	29,000,000
			<u>1,224,902</u>	<u>129,000,000</u>

14	<b>CASH AND BANK BALANCES</b>	Note	2017 -----Rupees-----	2016 -----Rupees-----
	<b>Cash</b>			
	In hand		250,424	216,471
	<b>At banks in</b>			
	<b>Current account</b>			
	local currency		23,417,469	54,211,147
	foreign currency		8,607,612	6,055,126
			<u>32,025,081</u>	<u>60,266,273</u>
	<b>Saving accounts</b>			
	local currency	14.1	248,273,863	121,121,094
	foreign currency		25,983,647	11,218,721
			<u>274,257,510</u>	<u>132,339,815</u>
			<u>306,533,015</u>	<u>192,822,559</u>

14.1 These carry mark-up ranging between 3.75% to 6% (2016: 3.75% to 6%) per annum.

15	<b>SURPLUS ON REVALUATION OF FIXED ASSETS</b>		2017	2016
	<b>Opening balance</b>		58,158,602	26,412,198
	Revaluation surplus transferred to fund		(10,877,061)	32,061,984
	Incremental depreciation for building		(369,051)	(315,580)
			<u>46,912,490</u>	<u>58,158,602</u>

15.1 The fair values of the Company's freehold land and buildings were determined as at 30 June, 2016 (Note 6.4).

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	Note	2017 -----Rupees-----	2016 -----Rupees-----
<b>16 DEFERRED CAPITAL GRANT</b>			
Balance at the beginning of the year		23,264,053	31,220,544
Additions during the year (at cost)	17	1,248,720	14,405,936
		<u>24,512,773</u>	<u>45,626,480</u>
Amortization during the year			
Charge for the year		(17,367,801)	(22,323,868)
Adjustment of disposal		106,870	-
Relating to assets disposed-off		(26,142)	(38,559)
	20	<u>(17,287,073)</u>	<u>(22,362,427)</u>
		<u>7,225,700</u>	<u>23,264,053</u>
<b>17 DEFERRED GRANTS AGAINST OPERATING ACTIVITIES</b>			
<b>Opening balance</b>		18,699,246	18,323,472
Grants received during the year		420,228,924	508,571,565
Grants recognized in the income and expenditure account			
Against expenditure incurred		(409,570,768)	(458,007,530)
Against services performed		(18,599,338)	(24,852,119)
Against closed projects		-	(312,454)
		<u>(428,170,106)</u>	<u>(483,172,103)</u>
Refunds to donors		-	(2,274,176)
Transferred to deferred grants against purchase of fixed assets		(1,248,720)	(14,405,936)
Balances written-off against closed projects		1,230	1,117,759
Adjustments		-	5,163,504
Exchange gain recognized		(15,860,506)	(14,624,839)
<b>Closing balance</b>		<u>(6,349,932)</u>	<u>18,699,246</u>
<b>Break-up of closing balance</b>			
Unspent grants		27,989,116	30,271,139
Grants receivable - gross		(34,339,048)	(11,571,893)
	17.1	<u>(6,349,932)</u>	<u>18,699,246</u>

17.1 Movement in grants

	Opening balance at 01 July 2016											Grants recognized in the Income and Expenditure Account										
	A	B	C=A+B	D	E	F	G	H=E+F+G	I	J	K=C+D+H+I+J	L	M	N=L+M								
	Unspent grants	Grants receivable	Total unspent grants / grants receivable	Grants received	Against expenditure incurred	Against services performed	Against closed projects	Total	Balance written-off / Exchange gain (Note 17.1)	Transferred to deferred grants against purchase of fixed assets	Closing Balance	Unspent grants	Grants receivable - gross	Total unspent grants / (grants receivable)								
British High Commission (BHC) Magnacaria Fund	474,984	-	474,984	40,000,000	(35,623,948)	(2,311,919)	-	(37,935,867)	-	-	2,064,133	2,064,133	-	2,064,133								
Catholic Agency for Overseas Development (CAFOD)	-	-	-	-	-	-	-	-	-	-	474,984	474,984	-	474,984								
Citizen Voice Programme (CVP) - Improving Women Participation in Electoral Process in Pakistan	21,010,728	-	21,010,728	167,746,358	(175,380,380)	(7,058,816)	-	(182,446,308)	(15,860,506)	-	(9,551,726)	-	(574,700)	(574,700)								
Development Alternative Inc - Aawaz	-	-	-	3,172,515	(1,710,732)	(1,788,832)	-	(3,497,564)	-	-	(3,25,049)	-	-	(3,25,049)								
Foundation Open Society Institute (FOSI) Mother Languages Festival	-	-	-	2,091,407	(2,095,000)	-	-	(2,095,000)	-	-	(3,593)	-	-	(3,593)								
Gender Equity Programme - Aurat Foundation	-	(603,943)	(603,943)	5,244,017	(5,625,895)	-	-	(5,625,895)	-	-	(981,811)	-	-	(981,811)								
Global Partnership for Education (GPE) Region 1	-	-	-	4,564,402	(6,260,478)	(480,000)	-	(6,749,478)	-	(204,000)	(1,980,076)	-	-	(1,980,076)								
Global Partnership for Education (GPE) Region 4	-	-	-	9,890,031	(7,422,871)	(1,352,268)	-	(6,775,239)	-	(300,000)	754,792	-	-	754,792								
Government Special Development Program	-	(466,242)	(466,242)	465,242	-	-	-	-	-	-	-	-	-	-								
Jhpiego	-	(1,320,884)	(1,320,884)	24,351,318	(18,717,356)	(42,000)	-	(18,759,356)	-	-	4,477,098	-	-	4,477,098								
Jhpiego logistical support in MCHIP Districts	-	-	-	5,316,446	(13,019,044)	(199,711)	-	(13,218,755)	-	-	(6,502,309)	-	-	(6,502,309)								
Livelihood Program Hindukush	-	-	-	2,234,787	(761,925)	-	-	(1,472,862)	-	-	254,359	-	-	254,359								
Merch Corps	-	-	-	1,446,010	(30,261,534)	(30,261,534)	-	(30,261,534)	-	-	584,295	-	-	584,295								
Oxfam Access to Justice	1,446,010	-	1,446,010	29,409,818	(978,787)	(300,000)	-	(1,279,787)	-	(476,720)	2,275,075	-	-	2,275,075								
Oxfam Strategic Partnership project	-	-	-	18,511,987	(14,983,632)	(1,676,560)	-	(15,760,192)	-	-	(115,009)	-	-	(115,009)								
Oxfam Novib Citizen First	1,510,356	-	1,510,356	3,326,315	(4,266,712)	(693,868)	-	(4,966,690)	-	-	-	-	-	-								
PESP - 2 Community Mobilization for Increasing Enrolment in Schools of Districts Bahawalpur and Bahawalnagar	-	(1,181,708)	(1,181,708)	1,180,479	-	-	-	-	1,230	-	1	1	-	1								
Promoting Girls Education in Baluchistan (PGEB)	-	(1,062,296)	(1,062,296)	1,067,256	-	-	-	-	-	-	2,297,850	-	-	2,297,850								
Pakistan Poverty Alleviation Fund (PPAF)	2,297,850	-	2,297,850	-	(8,472)	-	-	(8,472)	-	-	(9,472)	-	-	(9,472)								
Rozan	-	-	-	2,274,400	(930,664)	(334,526)	-	(1,265,290)	-	-	1,009,191	-	-	1,009,191								
Sindh Education Foundation Assisted Schools (SEAS)	-	-	-	1,367,821	(1,506,576)	(42,073)	-	(1,548,649)	-	-	(180,828)	-	-	(180,828)								
Sindh Education Foundation - Adolescent and Adult Learning and Training Programme (AALTTP)	-	-	-	11,168,008	(9,307,847)	(477,000)	-	(8,784,847)	-	-	1,115,162	-	-	1,115,162								
SEF Middle and High School	-	-	-	9,524,000	(8,546,521)	-	-	(957,479)	-	(268,000)	1,115,162	-	-	1,115,162								
Sindh Government - Mother Languages Festival	-	(3,481,558)	(3,481,558)	9,785,400	(27,934,959)	(13,000)	-	(18,549,521)	-	-	974,479	-	-	974,479								
Trust for Democratic Education and Accountability (TDEA)	-	-	-	21,725,603	(281,686)	-	-	(21,907,289)	-	-	(6,170,859)	-	-	(6,170,859)								
TDEA - Deepening Democracy and Electoral Support Project (DESP)	-	(425,006)	(425,006)	419,302	-	-	-	(5,704)	-	-	275,719	-	-	275,719								
Trocare	-	-	-	1,168,008	(1,506,576)	(42,073)	-	(1,548,649)	-	-	(180,828)	-	-	(180,828)								
USAID Small Grants	-	-	-	11,168,008	(9,307,847)	(477,000)	-	(8,784,847)	-	-	1,115,162	-	-	1,115,162								
United Nations Development Programme (UNDP)	-	(3,481,558)	(3,481,558)	9,785,400	(27,934,959)	(13,000)	-	(18,549,521)	-	-	974,479	-	-	974,479								
UNICEF	121	-	121	21,725,603	(281,686)	-	-	(21,907,289)	-	-	(6,170,859)	-	-	(6,170,859)								
Wateraid Wash	-	-	-	4,168,180	(3,832,451)	(60,000)	-	(3,892,451)	-	-	275,719	-	-	275,719								
Networks housed in SPO:	26,840,060	(1,038,636)	25,801,424	409,891,835	(393,804,688)	(17,759,338)	-	(411,654,006)	(15,859,276)	(1,248,720)	(2,378,845)	25,727,937	(28,106,881)	(2,378,945)								
Insani Haqiqo Ittehad	104,780	-	104,780	-	(2,845)	-	-	(2,845)	-	-	101,935	-	-	101,935								
National Humanitarian Network (NHN) - Membership fee	-	(570,406)	(570,406)	40,000	(6,494)	-	-	(6,494)	-	-	33,506	-	-	33,506								
NHN - Care	-	-	-	-	(3,181,785)	(286,000)	-	(3,467,785)	-	-	(3,467,785)	-	-	(3,467,785)								
NHN - Care	3,326,299	-	3,326,299	6,000,000	(7,505,242)	(574,000)	-	(6,083,242)	-	-	1,243,067	-	-	1,243,067								
NHN - Tear fund	-	-	-	2,000,000	(1,117,319)	-	-	(1,117,319)	-	-	882,681	-	-	882,681								
NHN - Actionaid	-	(962,649)	(962,649)	2,597,083	(3,835,415)	-	-	(3,835,415)	-	-	(2,203,975)	-	-	(2,203,975)								
Spate Irrigation	3,431,079	(1,533,055)	1,898,024	10,637,089	(15,666,100)	(840,000)	-	(16,506,100)	-	-	(3,970,867)	-	-	(3,970,867)								
Total	30,271,139	(11,571,893)	18,699,246	420,328,924	(409,870,768)	(18,599,338)	-	(428,170,106)	(15,859,276)	(1,248,720)	(6,349,832)	27,989,116	(34,339,044)	(6,349,928)								

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	Note	2017 -----Rupees-----	2016
<b>18 ACCRUED AND OTHER LIABILITIES</b>			
<b>Accrued liabilities</b>		1,823,476	1,671,930
<b>Other liabilities</b>			
Payable to suppliers		11,678,013	7,772,356
Payable to family of deceased employee		1,224,902	-
Payable to staff		375,662	286,836
Employees' provident fund payable		297,737	215,537
Withholding tax payable		379,382	154,889
Others		285,108	670,535
		<b>14,240,804</b>	<b>9,100,153</b>
		<b>16,064,280</b>	<b>10,772,083</b>

**19 CONTINGENCIES AND COMMITMENTS**

**19.1** In April 2017, the Assistant Commissioner Inland Revenue (IR), vide orders dated 29 April, 2017, raised an aggregate demand of Rs. 132.1 million against the Company, on account of default in withholding of taxes for payments made in the Tax Years 2012 and 2013. Currently, the Company has filed an appeal with the Commissioner Inland Revenue (Appeals), which is pending to be scheduled. Meanwhile a stay for the recovery of the demand has been obtained from the Islamabad High Court. Pending the outcome of the matter, no provision has been made in these financial statements for the demand raised by the taxation authorities, as management is confident that the matter will ultimately be decided in favour of the Company.

**19.2** There are no commitments, as at the end of the current and prior year.

	Note	2017 -----Rupees-----	2016
<b>20 GRANT INCOME</b>			
Programme expenditure	20.1	428,170,106	483,172,103
Amortization of deferred grants	16	17,287,073	22,362,427
		<b>445,457,179</b>	<b>505,534,530</b>
Exchange gain realised on foreign grant		15,860,506	13,936,469
		<b>461,317,685</b>	<b>519,470,999</b>

**20.1 Programme expenditure**

Development Alternatives Inc - Department for International Development (DAI - DFID)	182,448,308	230,056,246
British High Commission (BHC) Magnacarta Fund	37,935,867	-
Jhpiego	31,978,111	21,573,063
Mercy Corps	30,261,534	21,193,795
UNICEF	27,896,683	19,707,982
Sindh Education Foundation	20,150,174	-
Oxfam Novib - Strategic Partnership Project	15,760,192	-
Global Partnership for Education	15,515,717	-
Trocaire	9,784,847	-
USAID small grants fund	8,549,521	-
United Nations Development Programme (UNDP)	6,305,342	8,690,058
Aurat Foundation - GEP	5,625,885	3,160,062
Oxfam Novib - Citizens First	4,963,680	21,139,352
Wateraid Wash	3,892,461	-
DAI AJPP	3,497,564	-
Foundation Open Society Institute	2,095,000	-

**STRENGTHENING PARTICIPATORY ORGANIZATION**  
(A Company registered under Section 42 of the Companies Ordinance, 1984)

	2017	2016
	-----Rupees-----	
Trust for Democratic Education and Accountability (TDEA)	1,548,649	-
Oxfam Access to Justice	1,279,787	-
Government of Sindh	828,587	-
Inter Cooperation-Livelihood Programme (IC)	761,925	6,010,486
Citizen Voice Programme (CVP) - Improving Women Participation in Electoral Process in Pakistan	574,700	-
Rozan	9,472	-
Emergency Relief Fund (ERF)	-	50,000
National Democratic Institute (NDI)	-	115,729
Ausaid	-	146,725
Governor Special Development Program (GSDP)-DIK	-	466,243
PPAF LEP Jan to June 2015	-	1,034,516
CARE-NHN-AHG	-	2,350,641
World Vision- Access to clean water	-	2,747,385
PRP event	-	4,492,966
Trust for Democracy and Accountability (TDAE)	-	8,239,692
UN-Women	-	9,106,810
USAID - TFP	-	9,182,330
CVP - Enhancing Capacities for Transparent and Accountable Local Governance	-	10,482,081
Community Mobilization for increasing enrolment in schools of Districts Bahawalpur and Bahawalnagar	-	44,557,851
Pakistan Poverty Alleviation Fund (PPAF)	-	52,808,593
	<b>411,664,006</b>	<b>477,312,606</b>

**Networks housed in SPO**

NHN - Tear Fund	8,083,242	673,701
Spate irrigation	3,838,415	4,075,720
NHN - CARE	3,457,785	1,069,765
NHN - Actionaid	1,117,319	-
NHN Membership fee	6,494	-
Insani Haqooq Ittehad	2,845	40,311
	<b>16,506,100</b>	<b>5,859,497</b>
	<b>428,170,106</b>	<b>483,172,103</b>

**21 PROGRAMME EXPENSES**

Salaries and benefits	21.1 201,918,330	194,803,641
Training and development	67,387,023	111,736,727
Traveling and conveyance	37,741,619	34,623,759
Vehicle running and maintenance	30,984,359	29,287,821
Office rent	15,191,381	10,871,653
Office supplies	8,788,771	6,915,310
Resource materials and publications	6,800,014	5,530,284
Maintenance and renovation	4,404,730	3,136,288
Monitoring, evaluation and reporting	24,125	-
Programme planning and review	-	17,421
	<b>373,240,352</b>	<b>396,922,904</b>

21.1 Provident fund contributions made during the year and included in salaries and benefits, amount to Rs. 11,042,010 (2016: 11,367,749).

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**STRENGTHENING PARTICIPATORY ORGANIZATION**  
(A Company registered under Section 42 of the Companies Ordinance, 1984)

22	GRANTS TO COMMUNITY BASED ORGANIZATIONS (CBOs) / OTHERS	Note	2017 -----Rupees-----	2016 -----
	Support Aawaz Forums and CPOs		30,553,727	42,539,977
	Direct expenses by donors (charged through debit notes)		14,947,859	3,904,895
	National Humanitarian Network (NHN) expenses		1,799,939	1,413,898
	Grant/support to Health and Education Monitoring Committees		1,450,000	
	Network secretarial support		599,400	538,700
	Grant/support to partner organizations		231,365	17,425,000
	Grant/support to government departments		180,000	880,000
	Foods items and commodities		120,263	90,745
	Material supplies		2,502	2,114,520
	Community Farmers Insurance		-	793,000
	Social sector funding		-	7,081,586
			<u>49,885,055</u>	<u>76,782,321</u>
23	<b>ADMINISTRATIVE EXPENSES</b>			
	Depreciation		21,814,778	31,507,133
	Office security		9,712,190	8,060,354
	Procurement expense		7,092,950	3,316,066
	Utilities		5,355,265	4,465,409
	Telephone and postage		5,219,303	4,583,063
	Legal and professional charges		841,408	789,540
	Training expenses		751,581	1,061,257
	Auditors remuneration	23.1	827,000	784,800
	Receivables written-off		171,224	1,265,597
	Amortization		58,839	114,310
	Sales tax		1,959,438	-
	Equipment maintenance		657,003	532,408
	Material supplies		312,950	132,619
	Bank charges		258,675	433,459
	Miscellaneous expenses		86,755	97,277
			<u>55,119,359</u>	<u>57,143,292</u>
23.1	<b>Auditors' remuneration</b>			
	<b>EY Ford Rhodes</b>			
	Audit fee of statutory financial statements		557,000	520,300
	Audit fee of statutory consolidated financial statements		70,000	64,500
	Out of pocket expenses		200,000	200,000
			<u>827,000</u>	<u>784,800</u>
24	<b>OTHER OPERATING INCOME</b>			
	<b>Income from financial assets</b>			
	Return on savings accounts		6,214,035	6,378,962
	Return on investments in TDR's		6,426,041	8,663,925
			<u>12,640,076</u>	<u>15,042,887</u>
	<b>Income from non-financial assets</b>			
	Gain on sale of fixed assets		461,975	2,110,125
	Rental income from investment property		1,980,000	-
	Exchange gain on foreign currency account		794,022	-
	Miscellaneous income		591,175	863,735
			<u>3,827,172</u>	<u>2,973,860</u>
	<b>Others</b>			
	Liabilities written-back		380,802	1,072,513
	Gain on revaluation of investment property		3,333,333	-
	Income from training units		976,170	934,457



25	<b>TAXATION</b>	Note	2017 -----Rupees-----	2016
	Current		<u>567,874</u>	<u>1,219,017</u>

25.1 This represents the provision for taxation against taxable income arising from activities outside the ambit of the tax credits provided under section 100C to the Income Tax Ordinance, 2001, as applicable to charitable organizations.

26	<b>CASH AND CASH EQUIVALENTS</b>	Note	2017 -----Rupees-----	2016
	Short-term investments	13	1,224,902	129,000,000
	Cash and bank balances	14	<u>306,533,015</u>	<u>192,822,559</u>
			<u>307,757,917</u>	<u>321,822,559</u>

## 27 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

### 27.1 Financial assets and financial liabilities

#### i) Financial assets

##### Receivables

##### Maturity upto 1 year

Grant receivable against operating activities	34,339,048	11,571,893
Advances	389,432	887,977
Deposits and short-term prepayments	2,672,519	2,085,919
Interest accrued	57,486	1,246,895
Other receivables	10,224,519	13,244,132
Cash and bank balances	<u>306,533,015</u>	<u>192,822,559</u>
	354,216,019	221,859,375
<b>Held-to-maturity</b>		
Short-term investments	1,224,902	129,000,000
	<u>355,440,921</u>	<u>350,859,375</u>

#### ii) Financial liabilities

	Carrying amount	Within 1 year	2 to 5 years	More than 5 years
	-----Rupees-----			
Accrued and other liabilities				
2017	<u>15,387,161</u>	<u>15,387,161</u>	-	-
2016	<u>10,401,657</u>	<u>10,401,657</u>	-	-

### 27.2 Financial risk management

The Company has exposure to the following risks from its use of financial instruments.

- credit risk
- liquidity risk
- market risk

The Board of Directors of the Company has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to the limits. Risk management policies and systems are reviewed regularly to reflect the changes in conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board of Directors reviews and agrees policies for managing each of the above risks which are summarized below:

### 27.3 Concentration of credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company is exposed to credit risk from its operating activities.

The Company's credit risk is primarily attributable to its grant receivable against operating activities, deposits, advances to employees, receivable from subsidiary company, other receivables and, investments and balances with banks. The credit risk on balances with banks is very minimal. The Company attempts to control credit risk by keeping track of its expenditure in respect of various projects and obtaining advance funding for project activity from the donor. The Company is not materially exposed to credit risk.

The Company establishes an allowance for impairment that represents its estimates of incurred losses in respect of grants and other receivables.

### 27.4 Exposure to credit risk

The carrying amount of financial assets represents the maximum credit risk exposure. The maximum exposure to credit risk at the reporting date was against:

	Note	2017 -----Rupees-----	2016 -----Rupees-----
Grants receivable	17	34,339,048	11,571,893
Advances to employees against salary	9	389,432	887,977
Deposits	10	2,672,519	2,085,919
Interest accrued		57,486	1,246,895
Other receivables	11	10,224,519	13,244,132
Short-term investments	13	1,224,902	129,000,000
Bank balances	14	306,282,591	192,606,088
		<u>355,190,497</u>	<u>350,642,904</u>

The credit quality of cash and bank balances, that are neither past due nor impaired, can be assessed by reference to external credit ratings or to historical information about counter party default rate. Credit ratings and exposure of bank balances and investments with each of the counterparties are as follows:

Name of bank	Long term rating	Short term rating	Rating agency	Rupees
Habib Bank Limited	AAA	A1+	JCR-VIS	1,224,902
<b>Savings account</b>				
United Bank Limited	AAA	A1+	JCR-VIS	1,150,116
Allied Bank Limited	AA+	A1+	PACRA	7,072,683
Habib Bank Limited	AAA	A1+	JCR-VIS	27,054,402
NIB Bank Limited	AA-	A1+	PACRA	707,678
Silk Bank Limited	A-	A2	JCR-VIS	237,187,569
Askari Bank Limited	AA+	A1+	PACRA	1,085,061

### 27.5 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations, as the fall due. The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient funds to meet its liabilities when due, under normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company ensures that it has sufficient cash on demand to meet expected cash outflows during its operating cycle. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity dates. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Note	2017 -----Rupees-----	2016 -----Rupees-----
<b>Accrued and other liabilities</b>			
Within one year		15,387,161	10,401,657
Between one and five years		-	-
		<b>15,387,161</b>	<b>10,401,657</b>

## 27.6 Market risk

Market risk, is the risk that results from changes in market prices, such as foreign exchange rates and interest rates. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, which optimizing the return. The Company is not exposed to any significant market risks from its operating activities.

### a) Interest rate risk

The Company's interest bearing instruments consist of investments in TDRs and balances in savings accounts, amounting to Rs. 1,224,902 (2016: 129,000,000) and Rs. 274,257,509 (Rs. 132,339,815). Applicable interest rates for (i) the investments in TDRs is 5.8% (2016: 6% to 9%) and (ii) balances in saving accounts range from 3.75% to 6% (2016: 3.75% to 6%) per annum. However these carry fixed interest rates and, therefore, are not exposed to interest rate risk.

### b) Currency risk

The Company's financial assets amounting to Rs. 34,591,259 (Rs. 17,273,847) are exposed to foreign exchange rate risk. Foreign currency risk arises due to financial assets denominated in foreign currencies in the financial statements.

#### Foreign currency sensitivity

Management runs a sensitivity analysis (what-if analysis) in case the EURO and USD currencies appreciate versus the functional currency by 10%.

A 10% depreciation of the EURO and USD, versus the functional currency, would have reduced the surplus for the year by Rs. 3,459,125 (2016: 1,727,385) and vice versa.

The following significant exchange rates applied during the year:

	Average rate during the year	Spot rate on balance
<b>2017</b>		
USD	104.73	119.91
EURO	114.15	104.80
<b>2016</b>		
USD	103.10	104.70
EURO	114.94	116.08

### c) Determination of fair values

The carrying values of financial instruments approximate their fair values. The fair values of these financial instruments are determined as the present value of future cash flows, discounted at market rates of interest at the reporting date. The fair value of financial assets is determined for disclosure purposes only.

## 27.7 Fair values of financial assets and liabilities

The carrying values of financial assets and liabilities approximate their fair values.

## 28 CAPITAL RISK MANAGEMENT

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern, so it can achieve its primary objectives, provide benefits for other stakeholders and maintain a strong capital base to support the sustained development of its business, in line with the objects of the Company.

29	<b>NUMBER OF EMPLOYEES</b>	2017	2016
		-----Number-----	
	Number of employees	198	203
	Average number of employees during the year	211	233

**30 RELATED PARTY DISCLOSURES**

The related parties of the Company, comprise of a subsidiary, associates due to common directorship and key management personnel, (comprising of the Chief Executive Office and directors) and the Company's employees Provident Fund. The remuneration of the Chief Executive Office has been disclosed in note 31 to the financial statements. Other related party transactions not disclosed elsewhere, are as follows:

	2017	2016
-----Rupees-----		
<b>TRANSACTIONS WITH A SUBSIDIARY</b>		
Expenditure incurred on behalf of the subsidiary	7,250,967	8,636,060
Services acquired from the subsidiary	5,133,802	4,532,982
Settlement of receivables from the subsidiary	3,200,886	-

**TRANSACTIONS WITH EMPLOYEES' PROVIDENT FUND**

Contributions paid to employees' provident fund	29,659,662	36,688,072
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**31 RUMENERATION OF CHIEF EXECUTIVE OFFICER, EXECUTIVES AND DIRECTORS**

	Chief Executive Officer		Executives	
	2017	2016	2017	2016
	-----Rupees-----			
Managerial remuneration	5,386,800	5,264,400	81,125,820	95,133,270
Special allowance	180,000	180,000	7,638,600	9,830,345
Bonus	90,720	113,400	1,745,592	2,182,560
Provident fund and others	538,680	526,440	10,098,463	8,702,367
	<u>6,196,200</u>	<u>6,084,240</u>	<u>100,608,475</u>	<u>115,848,542</u>
<b>Number of persons</b>	<u>1</u>	<u>1</u>	<u>76</u>	<u>110</u>

**31.1** The Directors of the Company were not paid any managerial remuneration or allowance in the current or prior period.

**32 PROVIDENT FUND TRUST**

	2017	2016	
		Unaudited	Audited
Size of the Trust (Rupees)		73,698,546	68,334,009
Cost of investments made (Rupees)		70,146,828	67,635,763
Fair value of investments made (Rupees)		70,668,751	68,114,893
Percentage of investments made (%age)		95.89%	99.68%

	2017	2016	2017	2016
		-----%-----	-----Rupees-----	
<b>Break-up of investments</b>				
With a schedule bank				
In savings accounts	5	8.7	3,688,059	5,944,647
Term Deposit Certificates	90.88	91.0	66,980,692	62,170,246
	<u>95.88</u>	<u>99.70</u>	<u>70,668,751</u>	<u>68,114,893</u>

32.1 Investments out of the Provident Fund have been made in accordance with the provisions of section 227 of the Companies Ordinance, 1984 and the rules formulated for that purpose. These current year figures are un-audited.

33 **GENERAL**

All figures have been rounded off to the nearest Pak Rupee.

34 **DATE OF AUTHORIZATION**

These financial statements were authorized for issue on 24 SEP 2017 by the Board of Directors of the Company.



CHIEF EXECUTIVE



DIRECTOR



# Strengthening Participatory Organization (SPO)

SPO is a leading national rights-based civil society organization with its Citizens Voice and Accountability (CVA) initiatives being implemented in over 75 districts of the country. SPO's focus mainly being on state and citizens' engagement for strengthening democratic values, systems, practices and institutions to secure justice, peace and harmony and eradicate conflicts, poverty and gender-inequalities, works with over 3500 countrywide civil society entities comprising human rights, women, minority and youth activists, organizations and networks, mainstream political parties, labour organizations, trade unions, teachers' and media associations, intelligentsia and legislators.

Parallel to the CVA initiatives, SPO also designs and delivers critical service-delivery projects in the remotest and under-privileged areas of the country where there is absence of basic services.

Realizing the gravity of critical emergency situations that focus communities have to intermittently face, SPO also deals with humanitarian emergencies resulting from natural and human-induced hazards including earthquakes, rain-fed floods, cyclones and internal displacement of communities triggered by conflicts.

UDHR and other international human rights covenants are central to SPO's outreach philosophy.



## SPO NATIONAL CENTRE

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