



Internal transitions,
External challenges,
Steady perseverance.

July 2017 - June

2018 Annual Report

24th year

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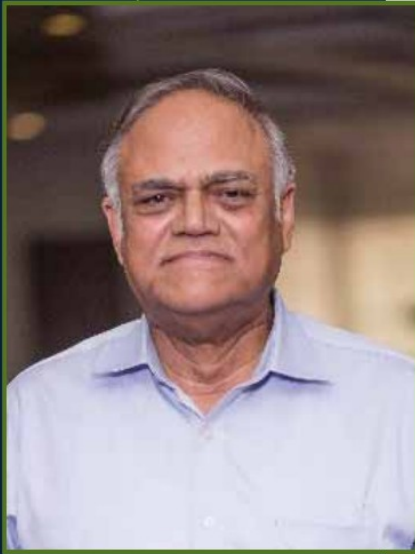
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ACRONYMS

AACs	AAWAZ Aagahi Centres
AALTP	Adolescent and Adult Learning and Training Program
ABES	Adult Basic Education Society
ADP	Annual District Planning
AJPP	Accountable Justice Programme in Pakistan
AWB	Area Water Board
BEP	Baluchistan Education Project
BoD	Board of Directors
CBO	Community Based Organization
CEmONC	Comprehensive Emergency Obstetric Neo-natal Care
CIDA	Canadian International Development Agency
CPI	Community Physical Infrastructure
CRM	Complaint Redress Mechanism
CSNs	Civil Society Networks
CSO	Civil Society Organization
DC	Deputy Commissioner
DDCF	District Disaster Coordination Forums
DDEO	Deputy District Education Officer
DEIG	District Education Interest Group
DEO	District Education Officer
DFID	Department for International Development
DSCs	District Steering Committees
EMCs	Education Monitoring Committees
EmONC	Emergency Obstetric and Neonatal Care
FOs	Farmers Organizations
FOSI	Foundation Open Society Institute Pakistan
FR	Frontier Regions
GAKs	Community Gate Keepers
GB	General Body
GBV	Gender Based Violence
GEP	Gender Equity Programme
GPE	Global Partnership for Education
HBS	Heinrich Böll Stiftung
HMCs	Health Monitoring Committees
HR	Human Resource
IELP	Integrated Education Learning Program
IRC	International Rescue Committee
IT	Information Technology
JSI	John Snow Inc.
KP	Khyber Pakhtunkhwa
LGs	Local Governments
LoU	Letter of Understanding
M&E	Monitoring and Evaluation
MC	Mercy Corps
MCHIP	Maternal and Child Health Integrated Program
MIS	Management Information System

MLEs	Medico Legal Examinations
MRVs	Mobile Registration Vans
NAP	National Action Plan
NCA	Norwegian Church Aid
NGO	Non-Government Organization
NRCs	NADRA Registration Centres
POs	Protection Officers
PPP	Public-Private Partnership
PSF	Provincial Steering Forum
PTO	Provincial Technical Officers
PTP	Provincial TB Control Programme
PTSMC	Parent Teacher School Management Committee
PTV	Pakistan Television
QIPS	Quality Improvement Patients Safety
RBCS	Rural Based Community School
SAARC	South Asian Association for Regional Cooperation
SAS	SEF Assisted Schools
SBA	Skilled Birth Attendants
SCSW	Sindh Commission on Status of Women
SDE	Social Development Enterprise
SDMCS	School Disaster Management Committee
SEF	Sindh Education Foundation
SELP	Strengthening Electoral, Legislative Processes
SIDA	Sindh Irrigation & Drainage Authority
SMCs	School Management Committees
SMHSP	SEF Middle and High Schools Programme
SNEs	Summary of Non-development Expenditures
SPO	Strengthening Participatory Organization
SR	Sub Recipient
SWMO	Sindh Water Management Ordinance
TB	Tuberculosis
TDEA	Trust for Democratic Education and Accountability
UCAAG	Union Council Advocacy Awareness Groups
UDHR	Universal Declaration of Human Rights
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNICEF	United Nations International Children's Emergency Fund
USAID	United States Agency for International Development
VAWG	Violence against Women and Girls
WASH	Water, Sanitation and Hygiene
WB	World Bank
WCAs	Water Course Associations
WDD	Women Development Department
WDOs	Women Development Officers
WOs	Women Organizations
WPC	Women Parliamentary CAUCUS
WUA	Water Users Association



Prologue by the Chairperson

As we move towards 2019 to mark the 25th anniversary of the formal registration of SPO in 1994, it is pleasantly coincidental to note that during the year of 2017-2018, there were 25 arenas of our work on which this annual report presents data and details.

Four elements significantly impacted our work but did not derail our direction. Two were external. Two were internal.

The first external element was a continuing fall-out from the exhaustive official review of the work of INGOs and NGOs in the country as part of a national security audit. New uncertainties arose about the continuation of on-going programmes and the prospect for funding support in the years ahead. The second was more logistical and administrative yet often distracting. This was the frequency of requests by investigative authorities for documents and data from both the SPO national centre in Islamabad as well as the seven regional offices. Such tasks were repetitive and consumed valuable working time.

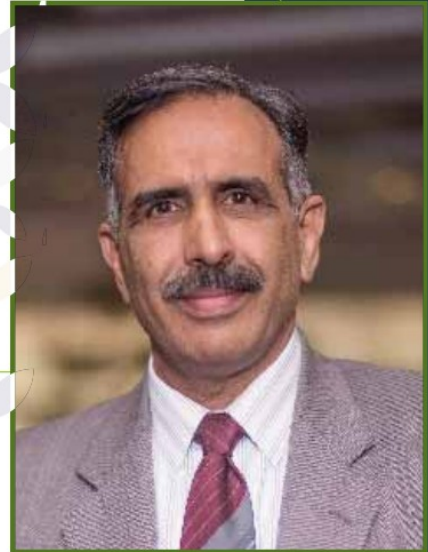
Internally, the association of some individuals at senior positions in SPO for long periods during its progress came to a conclusion at different points in the year for varying and unavoidable reasons.

While partings stirred regrets, SPO wishes them all good health, well-being and professional success in the future success. For purely personal reasons, Chief Executive Mr. Naseer Memon who capably served from February 2010 to July 2017, left with mutual goodwill to begin a new phase of his career elsewhere. At an appropriate time in the near future, he plans to regain his previous status as a Member of the General Body. A new chief executive in the person of Mr. Saleem Malik who has notably been an active participant in the development and civil society sectors, assumed responsibility on 1st August 2017. With support from the Board's Transition Committee, he is leading the staff with steady, adept skills as his colleagues and he together become an effective, cohesive team. After taking the initiative in exploring the scope for a not-for-profit affiliated enterprise known as Social Development Enterprise to generate income, it was decided to replace this entity with a new concept after a thorough feasibility study.

As the composition of the General Body also undergoes a few changes, bringing new perspectives for the organization's benefit, the Board of Directors and its Committees and office-holders continue to contribute their valuable time and efforts between formal meetings. In a year of new unknowns, SPO persevered with its core values intact, sustained its progress and achieved major programme goals.

Senator® Javed Jabbar
Chairperson, SPO
2016-2018

From the CEO's Desk



I joined SPO at the start of the year, with great interest and enthusiasm, as I have been witnessing SPO's leading role in the grooming of the development sector during the previous 25 years. It is truly a privilege to lead the management of SPO. I found SPO a highly dynamic and progressive organization. It helps me to maintain a high level of interest and enthusiasm to continue SPO's excellent work for the achievement of human rights of all excluded and marginalized segments of our society. SPO's work is about the inclusion of all citizens in the development process for a better Pakistan.

SPO covers the whole spectrum of development and human development for an egalitarian and inclusive society. On the one hand, it works with men, women and young people in the villages and slums across the country through Regional and Project Offices to capacitate people to articulate their demands for improved service delivery. On the other hand, SPO works with duty-bearers and policy-makers to enable them to respond to public demands effectively and efficiently.

This year has seen significant successes in the whole spectrum. The policy-level work included our successful efforts, with the help and collaboration of all stakeholders, for the establishment of the Sindh Commission on Status of Women. Community-level engagements, to mention a few, comprise of work with children to fulfill their right to education. Helping communities in identifying TB patients and then treating them successfully is also a household level effort and the success figures are reassuring. This is conducted with the active support of the Balochistan government at all levels. In Punjab, 50,000 women were supported to obtain their national ID cards. Other achievements are listed elsewhere in the report. Combating gender based-discrimination at all levels always has high priority in our work, and this objective remained so during this year as well. We have a unique project in Sindh. It is about including women in irrigation water-governance in Sindh. We expect success in the shape of new legislation.

SPO recognizes that the alarming rate of population growth in Pakistan is a huge threat to our development and progress because we may not be able to achieve any of the SDGs. A strategy is being prepared for systematic intervention at all levels, from service delivery to policy-level support. It will be significant part of our work in the coming years.

SPO recognizes the special importance of young people in our country where the number of young people is phenomenally large. We want this huge surge in youth to yield a demographic dividend for the country. We hope to engage youth to cover the whole domain of human rights.

We enjoy the support and recognition of all stakeholders including community-level volunteers, legislators and political workers at district and lower levels, in provincial and national assemblies, the civil bureaucracy and with our national and international donor partners.

I have the unique advantage of non-intrusive guidance, direction and support from our GB and the BOD comprised of distinguished individuals who have expertise in various subjects. SPO staffs are not just employees. Rather, they truly believe in our mission. As a CE, one cannot ask for more.

Saleem Malik
Chief Executive, SPO

SPO Origins, Values and Governance

The Canadian International Development Agency (CIDA) established the Small Projects Office In 1987. This was ably led first by Dr. Remelt C. R. Hummelen and then by Dr. Ralph McKim. It was in 1993 that Dr. Ralph McKim sought help from Pakistan's three leading development practitioners, 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 the first General Body (GB) comprising of other renowned Pakistanis. All of them had agreed to serve on a voluntary basis.

A carefully planned and implemented process saw the transformation of the Small Projects Office into the Strengthening Participatory Organization (SPO) onward of 15 January 1994. The development plan laid the foundations of a rights-based national civil society organization (CSO). SPO has been led and staffed by able Pakistanis since 1994. As a result of this, SPO today enjoys impeccable credibility among its donors, peers and partners. Relevant government and non-government institutions, communities and individuals believe in its institutional capacity and robust systems to fulfil a shared mission. SPO is seen as a leading advocate of citizens' rights and their responsibilities. SPO now maintains a presence in over 75 districts of the country.

Over the past many years, the initially identified set of SPO values have been successfully translated into tangible actions through the systematic and sustained application of these organisational values. These values are:

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 diverse disciplines related to development and human rights. Gender equality and equity in GB, BoD and staff.
3. Practice of democratic principles and processes.
4. 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.
5. Maintaining a fine balance between, on the one hand, stewardship and oversight through Policy Guidance by the GB and the BoD and on the other hand, without becoming obstructive and micro-managerial.
6. Enforcing strict compliance of the Code of Conduct by volunteer members so as to prevent possible misuse of facilities and resources.
7. Encouraging participation in the GB, BoD and the management of individuals from religious and ethnic minorities on the basis of merit and competence.
8. Convening quarterly meetings of the BoD, as often as is practical, at locations in all four Provinces rather than only at the Head Office of SPO in Islamabad, in order to maintain contact with partner communities and organizations at the grass roots level.
9. Inflexible practice of optimal transparency and accountability in all financial aspects of the organization.

Over the past twenty four years, the unflinching practice of upholding these foundational values has supported the dedicated and capable full-time management team at SPO in all its endeavours. The organization has steadily and successfully expanded its scope and services. Efficient coordination has ensured significant growth for the institution that is SPO in 2018.

BoD Members, 2015–2018

1. Mr. Javed Jabbar, (Sindh) Chairperson
2. Dr. Tufail Mohammad Khan, (KP) Vice Chairperson
3. Advocate Parveen Akhtar, (KP) Member
4. Dr. Taj Baloch, (Balochistan) Member
5. Sister Naseem George, (Punjab) Member
6. Ms. Neelam Hussain, (Punjab) Member
(Resigned effective in January 2018)
7. Ms. Arifa Mazhar, (Federal Capital Area) Member
8. Ms. Rukhshanda Naz, (KP) Member
(Resigned effective in January 2018)
9. Ms. Farida Tahir Noshervani, (Balochistan) Member
10. Syed Abid Rizvi, (Punjab) Member
11. Ms. Sadiqa Salahuddin, (Sindh) Member
12. Ms. Zeenat Yaqoob Yousufzai, (Balochistan) Member
13. Mr. Naseer Memon, Chief Executive SPO (Ex-Officio)
(Replaced by Mr. Saleem Malik after his resignation in August 2017)



Front row (Left to right); Syed Abid Rizvi, Ms. Arifa Mazhar, Ms. Parveen Akhtar, Ms. Zeenat Yaqoob Yousafzai, Ms. Sadiqa Salahuddin
Back row (Left to right): Mr. Saleem Malik, Dr. Taj Baloch, Senator (r) Javed Jabbar, Dr. Tufail Mohammad Khan
SPO BoD on 5th May, 2018 at Sangada, Hariipur

SPO General Body Volunteer Members: 30 June 2018

Federal Capital Territory-Islamabad

1. Prof. Dr. Karamat Ali
2. Ms. Naheed Aziz (till 5th May 2018)
3. Ms. Arifa Mazhar

Khyber Pakhtunkhwa

1. Dr. Shaheen Sardar Ali
2. Dr. Tufail Mohammad Khan
3. Advocate Parveen Akhtar
4. Mr. Muhammad Rafiq
5. Ms. Rukhshanda Naz

Punjab

1. Ms. Ferida Sher
2. Ms. Parveen Ghauri
3. Ms. Neelam Hussain (till 14th January 2018)
4. Syed Abid Rizvi
5. Sister Naseem George
6. Ms. Anjum Zia
7. Ms. Mehnaz Farid Sheikh

Sindh

1. Senator (r) Javed Jabbar
2. Ms. Sadiqa Salahuddin
3. Advocate Kalpana Devi
4. Mr. Favad Soomro
5. Mr. Sibtain Naqvi
6. Mr. Naseer Memon

Balochistan

1. Mr. Mohammad Amin
2. Ms. Zeenat Yaqoob Yousafzai
3. Ms. Farida Tahir Nowsherwani
4. Dr. Taj Baloch
5. Dr. Allah Dad Looni
6. Ms. Shazia Akhtar
7. Ms. Faiza Mir

First Bi-annual Meeting of the SPO General Body – May 6, 2018, Islamabad.



Standing (Left to Right): Mr. Naseer Memon, Mr. Sibtain Naqvi, Ms. Zeenat Yaqoob Yousafzai, Ms. Parveen Ghauri, Dr. Anjum Zia, Ms. Shazia Akhtar, Mr. Favad Soomro, Mr. Saleem Malik.

Sitting (Left to Right): Prof. Dr. Ehsan-ul-Haque, Ms. Arifa Mazhar, Mr. Abid Rizvi, Mr. Javed Jabbar, Ms. Parveen Akhtar, Dr. Tufail Mohammad Khan, Dr. Alahdad Luni, Dr. Taj Baloch.

Remembering Mr. Vincent A. David

Born in April 1937, Mr. Vincent A. David was one of the pioneers in the field of adult literacy in Pakistan. He passed away after prolonged illness on 20 March 2018. It is an irreparable loss for the whole country.

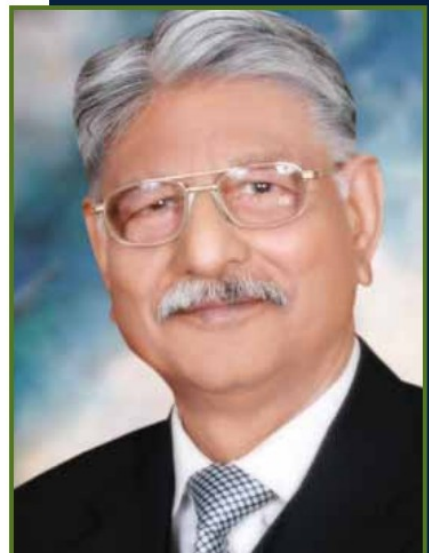
Mr. David joined the Literacy Section of Presbyterian Church in 1961 and worked in the field with total dedication for 10 years in different capacities. He also became the founder Director of Adult Basic Education Society (ABES), based in Gujranwala. The ABES worked as an Integrated Literacy Section of United Presbyterian Church Literacy Programme from 1960-64.

The ABES has published over 200 books, booklets and educational materials to educate the adults. Mr. David himself wrote 22 scripts for video lessons on adult functional literacy teachers' training and 103 scripts for a functional literacy course. These contents were produced through video programs for Pakistan Television in 1974-78 and for ABES in 1987-88.

Mr. David received the following awards/shields:

- Gold medal award by Karwan-e-Saqafat Pakistan
- Gold medal by PTV for best presentation of 156 Adult Literacy Programs for 6 years 1975-1980
- Shield by Family Planning Association of Pakistan
- The International Reading Association Literacy Award in 1984
- The NADEZHDAK KRUPSKAYA prize 1991 from UNESCO on the International Literacy Day
- Certificate of Recognition from National Council of the Churches of Christ in the United States of America

Mr. David was a Member of the SPO General Body since 1994. He was also a Member of the founding Board and BoD Member during the 2006-09 term. May he rest in peace.



Governance at SPO

The SPO Board of Directors (BoD) met five times from July 2017 to June 2018. Meetings were held in Islamabad (September & October 2017), Dera Ismail Khan (January 2017), Turbat (February 2018) and Sangada, Haripur (May 2018). One Annual General Body (GB) meeting was also held. Some of the major decisions taken in these meetings include the following:

- Review and approval of the Annual Progress Report and Audited Accounts for the period 2016-17
- Review and approval of the Annual Work Plan and Budget for 2017-18
- Approval of Mr. Naseer Memon's resignation from the position of Chief Executive SPO, with effect from 31st July 2017 and appointment of Mr. Saleem Malik as new CE on 01 August 2017
- Approval and appointment of M/s Ernst & Young - Ford Rhodes Sidat Hyder & Company as external auditors for the period 2017-18
- Approval of winding-up of the subsidiary, Social Development Enterprise (SDE).

Between meetings of the Board of Directors, Members of the General Body in the respective regions, and Members of the Board Committees held multiple interactions with the staff, local partner communities and official authorities at public events organized by SPO and during specially arranged meetings.

SPO Internal Audit Committee

Purpose

To assist the GB and BoD for overseeing 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 five members. Four Members are deputed from the BoD and the Internal Auditor joins them as the fifth member. The Board appoints the Committee for a three-year term. In addition, the Chairperson, the Chief Executive and the Company Secretary also attend the Audit Committee meetings.

Presently, the Audit Committee comprises the following members:

1. Ms. Sadiqa Salahuddin, Convener
2. Dr. Tufail Mohammad Khan, Member
3. Syed Abid Rizvi, Member
4. Ms. Arifa Mazhar, Member

Thematic Focus

SPO has become a leading Pakistani rights-based CSO over the past years in terms of its country-wide presence and outreach. The mission of SPO 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 has implemented a wide range of small, mid-term and long-term projects in 75 districts, two Tribal Areas and in four Frontier Regions (FRs) of the Khyber Pakhtunkhwa (KP) province.

Drawing light from its objectives, SPO advocates protection and promotion of democratic norms, social harmony and gender justice. SPO’s work creates livelihood opportunities for the communities prone to nature and human-induced hazards and helps build Community Physical Infrastructure (CPI). The organisation also provides relief and rescue services.

The most significant strength of SPO obtains from its GB, BoD and its full time team comprising 197 staff and 3,500 partners nationwide. These include youth, women and minority organizations and networks, think-tanks, social and political activists and political leaders.

Good Governance

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

SPO attempts to bring legitimacy, relevance and worth to the citizens' expressed voices. On the one hand, SPO advocates using means for effective demand while, on the other, its partner civil society organisations play the role of a catalyst helping the general public articulate their demands effectively. SPO works with state-level institutions to promote practices that respond positively to the legitimate needs of the citizens.


Peace and Harmony

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

Bonding is developed through dialogue among major stakeholders. These include but are 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 areas of the country. The core idea behind enabling discourse between people is to cultivate appreciation for diversity of colour, creed, ethnicity and language.

Social Justice

Through its “Social Justice” component, SPO mobilizes cadres of women change agents among the under-served, particularly those living under perpetual servility of the land and brick-kiln mafias. SPO technically and financially assists these informed cohorts of women to form community organizations enrolling all the women in their areas. SPO also extends capacity building in basic literacy, health, hygiene and life-skills.



SPO forms district-level Health Monitoring Committees (HMCs) and Education Monitoring Committees (EMCs) to ensure the collective voices of Women Organizations (WOs) are effective. These committees advocate for education and health issues being faced by the WOs and their communities with the Government line departments and the elected political representatives. Social inclusion is ensured for the traditionally excluded segments and it is made sure they enjoy unfettered access to basic civic amenities.

Disaster Preparedness and Resilience

The “Disaster Preparedness and Resilience” component has been designed to offer customized interventions before, during and after a disaster. The range of initiatives depends upon the nature and scope of actual or unforeseen hazards. These include disaster preparedness and mitigation, emergency relief, early recovery and rehabilitation.

Specific interventions are designed reflecting needs, most prioritized by target audiences. In conjunction with hard-core service delivery initiatives on ground, SPO works to build linkages to achieve policy and governance reforms. For example, SPO establishes and hosts humanitarian networks in order to help build resilience among affected communities.

Institutional Support

The “Institutional Support” component helps the staff excel in their respective individual pathways. This ultimately contributes to the growth, success and greater impact of SPO's work on ground with the communities.

SPO continues to invest in upgrading, fine-tuning, customizing and improving capacity to achieve its mission. Efforts remain ceaseless to further improve programmes, planning, management, reporting, monitoring and analysis. SPO's tools for human resources, financial management and techniques / applications in the field are second to none.

The participatory management culture at SPO constantly fosters a healthy competitive milieu at the workplace. The work culture ensures adequate time, resources and space to all staff. They generate fresh and innovative ideas which SPO transforms into cost-effective, community-centric success stories of communities and people.

Programmes and Projects in 2017–2018

SPO is presently working in 75 districts, two tribal agencies, and four Frontier Regions (FRs). The organisation is implementing only one long-term programme. Additionally, some 23 small to mid-term projects are also under implementation. Donors to these programmes and projects include the Department for International Development (DFID) of the British Government, The United States Agency for International Development (USAID), World Bank (WB), Sindh Education Foundation (SEF), United Nations International Children's Emergency Fund (UNICEF), Gender Equity Program (GEP), International Rescue Committee (IRC) and WaterAid Pakistan.

Strengthening Voice and Accountability in Pakistan (Aawaz)

The Aawaz Voice and Accountability Programme completed its five years in May 2018. It is now in its extension phase. However, this phase has a limited mandate. It only envisages consolidation of key achievements by Aawaz and a minimal functioning of Agahi Centers in 13 districts.

Over the six-year life of the programme, it operated in 4,500 villages and settlements in 450 union councils in 45 districts. The programme met and in most cases exceeded all output indicators. This was amply evidenced by the A++ grade the Aawaz programme secured in the 2016 DFID Annual Review. Aawaz transformed—citizens' lives by building an environment whereby women, minorities and young people may participate in public life without obstacles and where all citizens can realise their potential.

Key Programme Achievements¹:

- There are 5,000 Aawaz Forums from the village to the national level. Forum membership now stands at more than 225,000 women, men and transgender persons in KP and Punjab. Women and transgender people constitute the majority. These and another 20,000 people mobilised through the Women Assemblies, Aawaz Aagahi Centres (AACs), Youth Circles of Influence and Peace Connector initiative are now able to determine their own development priorities, create a climate of tolerance and non-violence and hold the government to account.
- More than eight million citizens across 45 districts of the KP and Punjab provinces have directly benefitted from Aawaz interventions across the programme outputs, including conflict pre-emption and service delivery.
- The programme's outreach now stands at approximately 10 million people.
- Almost 31,000 women now hold leadership positions in Aawaz structures like Forums, Aagahi Centres and Women Assemblies. Notably, girls are prominent in the youth circles of influence.
- Regarding Violence against Women and Girls (VAWG), Forums and AACs report a decline in violence against women in all 4,500 settlements, including instances of domestic violence and child marriage. Domestic violence is recognised as a crime by 93% men and women mobilised by the programme. They now know that domestic violence is a crime and 50% of these have taken some form of concrete action to prevent an incidence of VAWG.

¹ These results have been derived from an estimated outreach of 10 million people in KP and Punjab.

- More than 86% of men and women in programme areas believe that women's vote and candidature in elections is important to strengthen democracy in Pakistan while on average, 89% of women cast their votes in 450 Aawaz's union councils across KP and Punjab.
- In the most recent local government elections in Aawaz programme areas 1543 socially excluded people - 649 women and 894 men were elected. Many of these had taken no part in public life prior to their involvement in the Aawaz programme.
- In a major shift in attitudes towards peaceful co-existence, translating into behaviour change, 94% of men and women members of Aawaz forums now believe religious minorities should celebrate their events with full liberty. Some 64% of them reported participation in social events of people adhering to other religions.
- Early Warning and Response mechanisms were established in all programme districts to counter religion or gender-based violence. In most cases these institutions have resulted in concrete actions and in some cases these institutions have been adopted by the district government.
- Through development of Charters of Demand and Village Development Plans 95% of locally-identified needs in Aawaz target communities have received government attention.
- Aawaz was instrumental in the passage of six ground-breaking national and provincial laws to support women, girls and religious minorities, including the Punjab Protection of Women Against Violence Act 2016.
- Through the *Khuli Katcheries* (open community meetings with duty bearers) and greater access to government officials, an additional 14% women and excluded groups in programme districts successfully negotiated with sub-national governments for improved access to public services. The priority for communities included health, education and water. Of these, 75% are satisfied or more than satisfied with the services now.
- Aawaz was instrumental in establishing the South Asia Women's Alliance—a network of women leaders from the grassroots. Since its launch in 2016, the Alliance has established its presence with the SAARC secretariat to ensure women's priorities are integrated into the SAARC agenda.
- The Aawaz Response Fund has supported 37 strategic, pilot projects addressing issues including modern day slavery and youth empowerment.

Short to Mid – Term Projects

Balochistan Education Project

The Baluchistan Education Project (BEP) is being implemented in two regions of the province. Region-1 includes districts Quetta, Pishin, Qilla Abdullah and Mastung. Region-4 comprises of districts Loralai, Musakhail, Kohlu and Barkhan.

Global Partnership for Education (GPE) - BEP is a three-year project financed by the GPE and supervised by the World Bank. The project development objectives are to increase school enrolment and retention. The project supported schools with a special focus on girls' participation. It includes development of a mechanism to improve quality of school management. SPO is an implementing partner of the GPE in Baluchistan.

Key Performance Indicators for the project are:

1. Number of children (Girls & Boys) benefiting from newly established schools and improved/up-graded facilities in selected schools.
2. Retention of children in project schools.
3. Increase in percentage of schools with functional Parent Teacher School Management Committee (PTSMC), involved in the monitoring of activities at school level.

SPO carried out a variety of activities following an elaborate work-plan. The organisation undertook site identification, establishment of new schools, visits to abandoned school buildings, up-gradation school's visits, data collection visits for monitoring and evaluation, project related meetings with stakeholders, PTSMCs formation / notifications, trainings, coordination and community meetings, staff weekly progress review meetings and land mutation processes.

SPO teams regularly visited the DC, DEO, DDEO offices—and other stakeholders—to discuss the overall educational interventions in district. During these meetings SPO team shared the project targets, status and future planning. Special focus on PTSMC formation and training processes was a key strategy. Land mutation processes and overall planning strategies were also discussed in detail during these meetings.

SPO project teams were thoroughly immersed in PTSMCs formation and attended PTSMCs meetings. They discussed school affairs and made all possible efforts to resolve the school's issues and land mutation problems. During the project period, SPO and GPE staff members conducted joint visits of new and abandoned sites, monitored and checked their overall condition and provided support to the district level staff. SPO teams, where required, also visited the upgraded schools in these regions. They undertook data collection and verification of the land mutation processes. SPO teams also met community elders and briefed them on school planning, land mutation and the process of PTSMCs formation.

The project also offered PTSMC training in districts Pishin and Mastung. Some district meetings were conducted under the direct supervision of respective Deputy Commissioner (DC) to review and sign the merit lists.



Inter school level competition, venue- Girl's Primary School Sheikh Hussaini Kanak, District Mustung.

TB Directly Observed Treatment, Short-Course (DOTS) Project Balochistan

The project is being implemented in eight districts of the province: Quetta, Pishin, Qilla Saifullah, Loralai, Sibi, Jaffarabad, Panjgur and Kech-Lasbela.

SPO is the sub-recipient in this project to impart training to 141 General Practitioners, 141 Paramedics and 20 Lab Technicians for the 3485 notified TB cases in Baluchistan. This Public-Private project was implemented with the technical support of Mercy Corps (MC), Provincial TB Control Programme (PTP) and a representative of the Global Fund and the Provincial Technical Officers (PTO). Screening of registered TB cases is another important aspect of the project to keep track of previously registered patients.

The project progress during the reporting period is as follows:

S #	Indicator	Target	Achievement	Overall Success
1	All Type Cases	898	877	97%
2	Bacteria positive cases	452	366	81%
3	Successfully Treated	694	636	91%
4	Area Notable Meetings	18	18	100%
5	Community Gathering Meetings	18	18	100%
6	Chest Camps	18	18	100%
Total		2098	1933	92%



Dr. Shoukat Ali, Chest Camp OPD, Jafarabad



Celebration of World TB Day in District Sibi, March 24, 2018



Conducting a Community Gathering About TB in District Sibi

Improving Maternal & Child Health Services Project

The Maternal, Newborn and Child Health services component strove to transform Pakistan's service delivery landscape for families. It provided higher quality family planning services, higher coverage of births attended by Skilled Birth Attendants (SBA), and ensuring availability of Emergency Obstetric and Neonatal Care (EmONC) for women in selected districts of the Sindh province. The Maternal and Child Health Integrated Program (MCHIP) was implemented by a consortium of partners led by Jhpiego, Save the Children, PATH and the John Snow Inc. (JSI).

Project activities were implemented in accordance with USAID approved annual work plans in district Jacobabad. The work-plans were developed in close collaboration with the department of Health, department of Population Welfare as well as other government stakeholders in the province of Sindh.

MCHIP Jacobabad started the project with mapping of all health facilities in the district. It identified and assessed potential MNCH Centers including EmONC health facilities. Consent letters were signed with these facilities for further interventions. Quality assessment of each facility was carried out using Quality Improvement Patients Safety (QIPS) tools. District and facility profiles were also prepared. In addition to the MNCH Centers, MCHIP supported three Comprehensive Emergency Obstetric Care (CEmONC) Centers and one Mid-wifery School in the Jacobabad district. A Letter of Understanding (LoU) was signed with each supported facility to formalize the relationship.

With the assistance of the MCHIP technical team, SPO carefully selected the MNCH Centers for operations in the district. The pre-requisites for the selected sites included the presence of a female SBA, existing delivery services in the facility, and the facility in-charge willing to improve the MNCH and the Family Planning (FP) services being offered at the facility. MCHIP was supporting 60 MNCH Centers in the district. The MCHIP Project also strengthened three CEmONC Centers and one Mid-wifery School.

To improve maternal health, FP and child health service delivery in the district, the project conducted trainings using group-based and on-the-job training modules. This was followed by supportive supervision visits by the district technical staff. A detailed assessment of each MCHIP in Jacobabad was undertaken before the team started capacity building of SBAs and health care providers. A series of capacity building training workshops were arranged.

Achieving Educational Goals in Sindh

SPO has partnered with the Sindh Education Foundation (SEF) to implement formal and non-formal education interventions in Northern Sindh. This included the districts of Sukkur, Shikarpur and Jacobabad. Programme interventions follow the Public-Private Partnership (PPP) framework.

SPO aims to empower the under-privileged communities with this intervention. The initiative creates and facilitates new approaches to learning and education.

The programme aims to raise quality of education and improve literacy rate in the remote and under-developed areas of Sindh. Under this programme, two separate but inter-related projects are being implemented striving to “reach the unreached”.

SEF Assisted Schools Programme

Total Schools	2
Enrolment	303
No. of Teachers	10
No. of Head Teachers	2

The SEF Assisted Schools (SAS) Program consolidates the old Integrated Education Learning Program (IELP) and the Rural Based Community School (RBCS) program of the Sindh Education Foundation. SPO is partnering with SEF to implement the intervention in the following two schools;

- I. Nawab Khan Buriro, Taluka Thul, District Jacobabad.
- II. Malhi, Taluka Khanpur, District Shikarpur

SPO signs a contract with SEF for every academic year of the programme. The initial contract for the SAS programme was signed in November 2016. This ended in March 2018.

Objectives

- To supplement government policies under Universal Primary Education by enhancing educational facilities for out of school children and youth, especially girls
- To extend free and flexible learning opportunities at the grass-roots level
- To ensure gender equality in education
- To ensure long term institutional development of schools in partnership with communities for sustainability of quality reform efforts

Key Achievements

- Enrolment of 284 children in two schools
- Capacity development of teachers on the subjects of IT, English, Math and Science in collaboration with SEF
- Up-gradation of Malhi school to elementary level
- Establishment of Audio/Visual Room and provision of LED TVs and tablets for students
- Provision of learning material and classroom development initiatives
- Providing alternative energy solutions through installation of solar systems
- Distribution of school uniforms among the children
- Tree plantations were carried out in school premises

SEF Middle and High School Programme

SPO is implementing the SEF Middle and High School Programme (SMHSP) that aims at filling gaps in the post-primary education and raising enrolment. SPO is focusing on provision of quality post primary education by creating a thriving learning environment for the young learners.

The project is being implemented in districts Sukkur and Jacobabad. Under SMHSP, SPO is working in the following eight schools:

- I. Mughal Lashari, Thul, Jacobabad
- II. Masoo Khan, Thul, Jacobabad
- III. Chook Lashari, Thul, Jacobabad
- IV. Muhammad Pannah Channa, Thul Jacobabad
- V. Ranjhapur, Thul, Jacobabad
- VI. Rasool Bux Buriro, Jacobabad
- VII. Darghai Wariyo, Rohri, Sukkur
- VIII. Tando Mir Muhammad Hassan, Rohri, Sukkur

Total Schools	8
Enrolment	867
No. of Teachers	40
No. of Head Teachers	6

Initial contract for SMHSP was signed in June 2016. This expired in March 2018. SPO has signed a new contract with SEF against SMHSP for the on-going academic year, i.e., April 2018 to March 2019.

Objectives

- To gradually increase provision of quality post primary education in the remote areas of Sindh
- To extend free and flexible learning opportunities at the grass-roots level

Key Achievements

- Enrolment of 867 children in middle schools
- Provision of safe and secure learning environment
- Provision of free textbooks and additional learning material for beefing up student's writing and learning skills
- Provision of scholarship to a meritorious student from Ranjhapur through Dr. A.Q. Khan school system
- Promotion of activity based interactive learning
- Provision of basic facilities; safe drinking water, cleanliness and hygiene, and well maintained toilets
- Establishment of IT laboratories
- For the beautification of schools tree plantation was carried out
- Continuous Teacher's Professional Development

The Adolescents and Adults Learning and Training Programme

The Adolescents and Adult Learning and Training Program (AALTP) is for those who have missed the opportunity for education. The AALTP aims to provide accelerated formal primary education to vulnerable adolescents. The project also provides basic functional literacy to adults. A certified skill development and vocational training course for each learner enables them to benefit from opportunities of human capital development and socio economic growth.

The project is being implemented in districts Sukkur and Jacobabad. Under the AALTP, SPO is working in the following seven centres:

- I. Tagiyal Nariwal, Rohri, Sukkur
- II. Haji Khan Chanchar, Panu Aqil, Sukkur
- III. Bhitai Town, Jacobabad City
- IV. Rahimabad Main Center, Thul, Jacobabad

V. Rahimabad Sub Center, Thul, Jacobabad

VI. Mosa Wah Main Center, Thul, Jacobabad

VII. Mosa Wah Sub center, Thul, Jacobabad

Total Centres	7
Enrolment	558
No. of Teachers	15
No. of Head Teachers	1

Initial contract for the AALTP project was signed in July 2017, which will expire in May 2019.

Objective

- To provide accelerated formal primary education and basic functional literacy for adults together with a certified skill development

Key Achievements

- Enrolment of 558 adolescents in AALTP centre.
- Provision of safe and secure learning environment
- Provision of free textbooks and additional learning material for beefing up street children's writing and learning skills
- Promotion of activity based interactive learning
- Provision of basic facilities; safe drinking water, cleanliness and hygiene, and well maintained toilets
- Establishment of audio and video rooms
- For the beautification of schools tree plantation was carried out
- Continuous Teacher's Professional Development

Transforming Communities for Peaceful Co-existence

The project "Transforming Communities for Peaceful Co-existence" comes under the thematic component of social justice and social cohesion. SPO signed the project agreement with Norwegian Church Aid (NCA) in the month of May, 2018. The target district is Peshawar in the Khyber Pakhtunkhwa province. The project duration is from May 2018 to March 2019.

The use of religion for vested interest and marginalization of religious minorities increased the need of initiating projects to encourage inter and intra faith cooperation and social cohesion. The Peshawar Church attack in 2013, murders of innocent children in Army Public School in 2014, attack of armed terrorists on Bacha Khan University in 2016, murder of Mashal Khan in 2017 and a Sikh Social Activist in 2018 warranted a project to discourage religiously motivated extremism and violence. A National Action Plan (NAP) is already in place to address these issues and related constraints that have similar implications for the future.

In the given situation, greater space for dialogues will be created by encouraging improved relations between multiple faiths. This project aims to promote coexistence by building trust. It aspires to inculcate an appreciation for diversity to strengthen interfaith relations. The project also promotes the role of local minority communities to contribute in policy improvements. Following are the key project outcomes:

- Hate speech will be gradually reduced and replaced with a positive narrative of intra and interfaith harmony by encouraging dialogue between various faith leaders through the electronic media (Television and Radio)
- Develop an inclusive, gender sensitive peace building structures at communal, district and provincial level by combating violent extremism and handle conflicts with the consultation of police department in Peshawar
- Ensuring advocacy with civil society for reforms, better implementation of laws and policies to reduce violent extremism and promote equal rights and opportunities for all citizens regardless of faith and ethnicity.

The project has remained in the roll-out phase during the reporting period. Its achievements will be shared in the next annual report.

Enhancing CSO Contributions to Governance and the Development Processes in Pakistan

The project agreement was signed in March 2018. However its implementation had to be put off until rigorous re-planning in collaboration with partners. The target project districts were revised during the planning process. The results framework and the budget also underwent a revision for the project that runs from November 2017 to October 2021.

The constitutional reform of 2010 in Pakistan significantly enhanced provincial autonomy. These were, however, accompanied by a plethora of governance issues. Particular concern has been highlighted regarding the effectiveness of locally elected representatives as stipulated in the Constitution of Pakistan by Article 140-A on the Local Government. These include, but are not limited to, budget mismanagement, limited knowledge of inclusive governance, lack of accountability, and dissension between elected representatives and Local Governments (LGs). These institutional shortcomings call for increased citizen-state engagement and civil society involvement in local governance by capitalizing on opportunities created by the process of devolution.

The project is funded by European Union through Oxfam GB and will be implemented in partnership with SPO and Aurat Foundation. SPO will implement the project action in the following districts of Sindh and Baluchistan:

1. Karachi East (Sindh)
2. Badin (Sindh)
3. Lasbela (Baluchistan)

This four-year project aims to orient LGs and CSOs for effective, transparent and inclusive governance. To achieve this, all the partners—Oxfam, SPO and Aurat Foundation—will use their experience of governance programming and employ a two-fold approach in facilitating reform at the local, sub-national and national levels in Pakistan. The project envisions empowering the LGs, encourages inclusive governance, enables social accountability, and develops effective coordination and oversight mechanisms.

The project will achieve this on multiple levels by:

1. Enhancing the capacities of LGs in executing their mandate and prioritizing need-based inclusive development plans by engaging communities in bottom-up planning, budgeting and monitoring.
2. Improving the responsiveness and accountability of LGs towards local communities and constituents by ensuring Gender Responsive Budgeting and inclusiveness of youth, minorities and other disadvantaged groups in Annual District Planning (ADP).
3. Localizing Sustainable Development Goals as per local needs and priorities in Annual District Planning.
4. Responding to the public complaints by using Complaint Redress Mechanism (CRM).
5. Developing coordination and understanding among all governance tiers (local, sub national) to maximize development impacts and streamline implementation processes by creating spaces and facilitating public participation, especially that of women.

The project also caters to the CSOs and community networks in providing insights on local solutions in governance. This will help achieve the development agenda establishing a people centred and rights-based local governance approach.



Project orientation and planning workshop organized from 18-20 July, 2018 at SPO Head Office in Islamabad was joined by representatives from SPO, Aurat Foundation and Oxfam.

Policy Advocacy & Research in Sindh

Policy advocacy and research has strengthened the implementation of pro-women legislation and gender based violence response services in Sindh. It has contributed to the establishment and strengthening of pro-women structures and has protected the rights of women under targeted progressive pro-women legislation enacted by the Government of Sindh.

The initiative targeted four specific major pro-women laws. Its objectives were to establish pro-women structures and to disseminate the basic information to the general masses. It actively engaged relevant government and civil society stakeholders for holistic responses by strengthening lawfully envisioned structures into institutions.

The initiative rendered technical facilitation in developing rules of procedure for above stated new laws. The initiative reviewed legislation and lobbied with relevant stakeholders for gender responsive budgets in annual development plans. It created evidences through research based studies for meaningful responses. It helped improve services at Darul Amans by enhancing political will for implementation of pro-women legislation. The initiative also helped process gender based violence cases through referral mechanisms. It worked to orient CBOs, local representatives and media on pro-women legislation and implementation in targeted districts and union councils.

Increase of resources allocated to Women Development Department

Allocation of sufficient funds for implementation of Gender Reform Action Plans and pro-women activities was proposed by Women Development Department (WDD) under the Annual Development Plans 2018-19 (for both, secretariat and directorate). This included:

- Establishment of a Working Women's Hostel and a Women Development Complex in district Shaheed Benazirabad
- A Women Development Complex in district Sukkur
- Establishment of Day Care Centres in Karachi and Divisional Head Quarters in Sindh
- Establishment of Women Complaint Cells in districts Sanghar, Qamber, Kashmore, Jamshoro, Khairpur, Shikarpur, Badin, Ghotki, Naushero Feroze, Thatta, Tando Allahyar, Umerkot, Tharparkar, Dadu and Matiari
- Equipped and made functional office of the Women Parliamentary CAUCUS (WPC) Sindh

The use of religion for vested interest and marginalization of religious minorities increased the need of initiating projects to encourage inter and intra faith cooperation and social cohesion. The Peshawar Church Attack in 2013, murders of innocent children in Army Public School in 2014, attack of armed terrorists on Bacha Khan University in 2016, murder of Mashal Khan in 2017 and a Sikh Social Activist in 2018 warranted a project to discourage religiously motivated extremism and violence. A National Action Plan (NAP) is already in place to address these issues and related constraints that have similar implications for the future.



Project learning and moving ahead ceremony- May 16, 2018

Provincial Domestic Violence Commission Established and Women Protection Officers Appointed

In exercise of section-3 of "Domestic Violence (Prevention and Protection) Rules 2016", the competent authority; Chief Minister, Government of Sindh established the "Sindh Domestic Violence Commission" on 16 March 2018. The Sindh Domestic Violence Act protects women from domestic violence. The commission shall review existing provisions against domestic violence in law and take suo moto notices on domestic violence cases and at the non-implementation of the law in the province. In pursuance of section-15 of the "Domestic Violence (Prevention and Protection) Rules 2016", since 5 October 2017, the Women Development Officers (BS-17) have been assigned the charge of Protection Officers across Sindh.



SPO delegation's visit to WPC office, Sindh Assembly- April 17, 2018

Establishment of Monitoring Committees

In exercise of section 24 of "Sindh Child Marriage Restraint Rules 2016", Chief Minister, as competent authority in the Government of Sindh, established the "Sindh Provincial Monitoring Committee" on 02 October 2017. "District Monitoring Committees" have been established on 14 November 2017 in each District of Sindh to restrain early child marriages.

Non-development Expenditures 2018-19 for Recruitment of Protection Officers

Summary of Non-development Expenditures (SNEs) for recruitment of 29 Protection Officers was proposed and submitted by the WDD under the Sindh Domestic Violence (prevention and protection) Act 2013 for the fiscal year 2018-19. SPO proposed and shared inclusion of the prioritized pro-women schemes in Annual Development Plans and SNEs to the relevant departments. These were based on review and budget tracking of respective departments of the Government of Sindh.

Information gathered from Sindh shows that the WDD lacks adequate human resources. Only eleven Women Development Officers were serving with additional responsibilities of Protection Officers across Sindh. This is contrary to the requirement of Women Development Officers (WDO) and Protection Officers (POs) in each district as per law.

Establishment of Sindh Commission on Status of Women (SCSW)

The Sindh Assembly passed the SCSW Act, 2015 following year and a half long joint efforts by SPO and PSF members. The government established the Sindh Commission on the Status of Women on 08 September 2017. The Commission's major responsibility is to monitor legislation and keep an eye on government departments for women's rights. The Commission is to suggest improvements and develop implementation mechanisms for pro-women laws in Sindh. The SCSW is well equipped for operations.



Consultation on Dowry Bill, 2017 by SCSW- May 28, 2018

The Sindh Acid Control and Acid Crime Prevention Act 2016 and the Sindh Restriction of Dowry Act have been reviewed by SCSW as per its mandate. The Government of Sindh allocated a seed money amount of Rupees 19 million for the SCSW.

Formation of Provincial Steering Forum (PSF)

Pro-women Structures like the SCSW and the Domestic Violence Commission were established through extensive advocacy and lobbying by SPO in partnership with a multi-stakeholder group of PSF. The PSF was formed in May 2017 and comprised of six departments of Sindh government namely Women Development, Social Welfare, Human Rights, Health, Planning and Development, and Finance. The PSF also included civil society and media representatives, prominent activists working on human rights and women rights.

Mass Media Campaign for Public Awareness on GBV Response Services

- 30 Sindhi, Urdu and English newspaper articles were published in provincial and national level newspapers
- Nine TV talk shows were aired at the provincial as well as national levels in Sindhi and Urdu languages
- Four dedicated TV talks shows were aired on National and Provincial TV channels in the Sindhi and Urdu languages
- Messages were aired on four FM radio channels across Sindh for public information on Pro-Women Laws
- Sindh Child Marriage Restraint Act, 2013, Sindh Domestic Violence (prevention and protection) Act, 2013 along with rules of business and Anti-Women customary practices 2010 were translated in Sindhi and Urdu languages and disseminated.

Three Research Studies Completed

The following research studies were carried out and published for dissemination through wider circulation among government departments, CSOs, legislators, media, police and CBOs.

- Research Study on "Existing Gender Based Response Services in Sindh"
- Research on "Pro-women Laws in Sindh An Analysis of the Implementation Gaps"
- Research Study on "Contemplating Male Legislators Attitude Towards the Empowerment of Women Legislators"

Medico-Legal Examinations and First Investigation Reports by PSF

The PSF conducted twelve Medico Legal Examinations (MLEs) and got twelve FIRs registered by the GBV survivors to facilitate legal aid through the referral mechanism.

Women and Marginalised Groups, Natural Resource Management and Peace-building: Unlocking the Potential

SPO is implementing this project in Hyderabad district with the support of Trócaire and Australian Government. This intervention puts women at the front of conflict transformation strategy for improving water governance, accountability and conflict resolution capacity in Sindh.

Not only did the intervention address structural inequalities faced by women but it also fostered women's leadership. The project empowered the civil society to amplify women's voices. Opportunities were created to give priority to the women's voices through project platforms and media. Women presented their concerns to the larger public and the government. Major achievements of the project are as follows.

Sindh Water Management Ordinance (SWMO) 2002 Tabled in Sindh Assembly

The choice for water governance as an entry point for increasing women's meaningful participation has been well informed. It has a disproportionate impact on women and their livelihoods, as well as their already established roles as important users and managers of water resources. As a result of project interventions, an amendment in the Sindh Water Management Ordinance 2002 was tabled in the Sindh Provincial Assembly by the Women's Parliamentary Caucus in March 2018 for inclusion of women and the landless in water governance.

The status of this amendment was shared on May 29, 2018 during the policy dialogue with politicians, bureaucrats, Sindh Irrigation and Drainage Authority (SIDA) professionals, academic's, media, and government departments. SIDA has reviewed the draft amendment for technical and financial inputs and has sent it to the steering committee for approval.

Capacity Building of Civil Society Organizations Working on Peace-building, Gender and Water Governance in Sindh

Capacity building for 15 representatives of CSOs and members of project's district level alliance was organized on May 29, 2018. This alliance works for peace-building and gender and water governance in Sindh and tries to further expand the scope of the project.

Strengthened Linkages for Water Governance

SPO has established and maintained strong linkages with water governance departments like SIDA, Farmers Organizations (FO), Water Users Associations (WUA), Area Water Boards (AWB) and Water Course Associations (WCAs) of Akram Wah Division, Sindh. Thus, SPO has created a strong network of various actors over the last 2 years of programme interventions. They work collectively on the growing challenge of management of resources like water, women's say in its governance and the resulting impact it may have on peace building in the province of Sindh and indeed across the whole Indus basin region.

Community Awareness on Nexus of Water, Gender and Peace-building

Four trainings were held at the community level in Hyderabad. Some 51 men and 52 women community leaders and representatives from marginalized groups participated. They were selected on the basis of gender, age and level of activeness for human rights in their areas. These trainings built their capacity on water rights as citizens. They learnt the water governance structures in place, peace-building and its nexus with water, water management policies. SPO held a total of 96 consultations for community mobilization. These were monthly consultations with marginalised groups and women to discuss issues of exclusion from water governance at the policy and management levels.

Policy gaps in water governance affect the communities when women and marginalized groups are excluded. This was

discussed with communities in the course of built-in dialogues in these and other community trainings. Raising awareness among communities highlighted the role of women in the seemingly un-associated and crucial issue of water governance and peace. Community women, men, elders and farmers now have an understanding of how critical it can be that women participate and their opinions are incorporated to improve water management and related resources.

The trainings underscored how this most notably affects not only the land, but also the crops and livestock as well as conflict resolution. Women leaders convey the collective voice of their communities. The whole community thus becomes a part of the decision making and governance process of water and can thus influence the policymakers and parliamentarians in Sindh. These women leaders will further take up the Charter of Demand from the communities to the national and international forums. Thus women leaders will be able to reach out to women from other provinces of Pakistan as well as women from 15 other countries that are implementing the strategic partnership project. This will contribute to collective knowledge for better planning in future.

International Women's Day Dialogue

SPO organized a dialogue on the "Role and Participation of Women in Irrigation Water Management" on the women's international day. Some 77 women participated in the dialogue. They discussed the role and participation of women in irrigation water management. The event was held in Hyderabad on 20 October 2017. The initiative aimed to raise awareness on the role and importance of women's participation in irrigation water and agriculture.

Radio and Theatre Campaign for Mass Awareness

SPO organized a radio and theatre campaign to reach out to thousands of people across Sindh on the link between women, water and peace-building. The campaign produced a total of 20 radio programmes. Ten talk shows were aired on Radio Pakistan with nationwide audience while public messages were broadcast on FM radio. According to Radio Pakistan, they have an average listenership of 8000–5000 men and 3000 women.

Four interactive theatre shows were also held to promote the role of women and marginalised groups in water governance and peace building. These were all produced in the Sindhi language. Some 340 and 86 community men and women received the messages shared by the theatre shows for the inclusion of women and marginalized individuals in water governance as their basic right.

Women community leaders like Shamma Kambrani, Nasreen Halepoto, Gulbano, Allah Dini from Hyderabad district joined this campaign. They shared their stories, issues and needs for public support and contributed solutions for women and water governance issues at the policy level.

Research Studies on Water Governance Policies and Peace Analysis

A GAP Analysis Research carried out an in-depth analysis of water governance policies to identify gaps through data collection and policy review. The findings—gaps in SWMO 2002—were the first important milestone in making the government stakeholders and policymakers realize the need to adopt necessary measures in advocating for the proposed amendment in the Sindh Assembly. Peace analysis on hindrances to the participation of women and marginalised groups in water governance and related peace issues and their respective resolutions was completed in April 2018.

Accepting Women's Role in Water Governance and Peace-building

The "Lend a Story" annual event was held under the title—"Water for Nature" in March 2018. Women community leaders shared with the Sindh government authorities as to how the proposed amendment in Sindh Water Management Ordinance 2002 was directly relevant to resolve some of their most pressing problems in water management and their daily lives. This event also provided women the opportunity to present the issues of their areas to other women facing similar water challenges in neighbouring districts of Akram Wah. This made the event into a much stronger platform of women's collective voice from Hyderabad, Badin and Tando Muhammad Khan.

Amendments in the Sindh Water Management Ordinance, 2002 were submitted by the Women Caucus Sindh in the Provincial Assembly in February 2018. These were presented to the media and the audience during this event. These amendments were fully endorsed by guest speakers from the provincial assembly, Women's Parliamentary Caucus, Members of the Standing Committee on Irrigation and Power, Senators and Advisor on Information to the former Chief Minister Sindh.

Equitable Access to Education for Adolescent Girls in Sindh and Balochistan

The Equitable Access to Education for Adolescent Girls in Sindh and Baluchistan project remained successful in 2017. The project identified and addressed a range of barriers and challenges that affect adolescent girls' access—inclusive of girls with special needs—to education in the target UCs and districts. To ensure approximately 4,000 out of school adolescent girls were enrolled in schools and in Alternate Learning Centers. Out of the total enrolled, approximately 58 % are retained.

The project adopted social inclusion approach to map out of schools girls while assessing the state of education in selected union councils. The conducted assessments paved the way to develop effective coordination among the Parents Teachers School Management Committee (PTSMCs) in selected union councils. This has contributed immensely in enrolling out of school girls and retaining them by controlling dropouts. Moreover, improved coordination has created an enabling environment to utilize conditional grants for renovation of school buildings and transparent procurement processes in the schools.

The capacity building components of this project helped improve the learning and teaching environment. This contributed to improving quality of education in selected schools. One of the main project achievements is the establishment of the data-base monitoring system in consultation with the education department. This automated system has contributed significantly in making the teaching learning environment transparent in target districts. Besides capacity building for school improvement, the project component on gender sensitization strengthened knowledge of parents, teachers and community notables. This will pave the way for girls' education in project targeted areas in the long-term.



Plantation campaign with students of Govt Girls Model High School, Turbat

Engaging Legislators for Universal Access to WASH Rights

The project aims to initiate legislative and state actions for a priority status recognising and delivering Water and Sanitation Hygiene (WASH) rights especially for the most vulnerable and marginalized groups in the Punjab province. The project strategy to do this was to engage with legislators and opinion leaders as well as duty bearers from Punjab. The project ensured they are sensitized and capacitated to advocate and lobby for WASH as fundamental human right within and beyond the parliament.

The initiative targets the recognition of water and sanitation rights and eventually through an Act of the Parliament. The overall objective of the project was to engage legislators and opinion leaders proactively to facilitate legislation for WASH as a fundamental right. The project worked to enhance their capability to influence WASH planning and oversight in the province. The project included advocating for a progressive rise in sector financing in addition to legislation needed to promote and protect WASH rights.

The project proactively engaged 52 legislators and 500 opinion leaders. It facilitated legislation and policies on WASH rights at the sub-national and local levels. A draft WASH Policy was reviewed in Punjab. The project provided capacity building to enhance knowledge on issues among the decision makers.

The project was also successful in its engagement with the youth and with the women's caucus in the Punjab provincial assembly. Group members received orientation on WASH challenges and lack of financing that has been contributing to the existing deficiency of water and sanitation facilities across the rural and urban areas of Punjab.

Phase-I of this project ended in March 2018. SPO received an award for phase-II that is being implemented successfully in districts Sargodha, Mianwali, Khushab, Kasur and Lahore. The project engages with public offices, community members, university students and elected representatives in the national and provincial assemblies and in the local government. Achievements in phase-II will be reported next report.

Local Rights Programme, District Khushab

The Local Rights Programme was implemented in district Khushab from September–December 2017 with funding from ActionAid Pakistan. The project successfully ensured economic empowerment for 40 female youth and 1,000 community

members through skill trainings. Women were selected for establishment of new businesses and to promote existing businesses for women's economic leadership.

The project also mapped economic disparities and existing opportunities in local market. The documented SWOT analysis was shared with the funding agency. Economically vulnerable students were enrolled in government schools that were awarded funds for extracurricular, fun and learning activities for children from the marginalized communities so that they show positive mental and physical growth.

Right to Education for Marginalized Communities in District Badin

SPO has been working in districts Badin and Tharparkar with School Management Committees (SMCs), Community Gate Keepers (GAKs), Political and Social Activists, District Administration, the District Education Department and Communities with the assistance Foundation Open Society Institute Pakistan (FOSI). Between September 2017 and February 2018, SPO formed and developed structures for seven Union Council Advocacy Awareness Groups (UCAAG) in districts Badin and Tharparkar. Overall the organization has formed eight UCAAGs in the target union councils. There are 10 members including two women in each group nominated by the Local Government Representatives and Civil Society Organizations. The initiative also formed Local Support Organizations and SMCs.

SPO field staff conducted social mobilization and awareness sessions in the communities from where the UCAAGs members were nominated. Terms of reference were finalized during the capacity building trainings conducted under the project.

Capacity building trainings for the UCAAGs were conducted with participation from Kaloi (Tharparkar) and Oliya Jerkas (Badin) Union Councils. SPO also formed District Education Interest Groups (DEIGs) in November 2017 through a process of nominations. The project engaged all stakeholders from district Badin for the nomination process. After launching the Badin DEIG, SPO conducted a three-day capacity building training for members. Participants were briefed on the Right to Education, Article 25-A of the Constitution of Pakistan and on advocacy and lobbying. This training built their capacity for their role. On the last day of the training, participants, created a Development Strategic Education Plan for district Badin.

Resilient, Informed and Safer Schools and Communities

SPO has been implementing the School Safety Program (SSP) in 47 schools with the generous support of UNICEF in four disaster-prone districts of Sindh—Mirpur Khas, Tando Allah Yar, Umar Kot and Sanghar—from November 2017. The project rolled out school safety interventions in 47 schools. Of these, 17 are co-education schools, 12 boys schools, and 18 are girls schools. The project activities include formation and orientation of District Disaster Coordination Forums (DDCF), School Disaster Management Committee (SDMCS), teachers and wardens trainings and children and youth clubs formation and training, among other engagements.

UNICEF and SPO have been working closely with the Education Department, Reforms Support Unit and PITE. This obtains a meaningful engagement of respective stakeholders in all four districts at the policy level and in capacity building to further own and sustain the interventions.

The project is working for the following consensus outputs

Output-1 is the result framework for *“improved sector policies, plans, coordination and communication for education and its role in disaster risk resilience”*

Output-2 is *“increased capacity of institutional stakeholders for improved schools safety, preparedness and resilience”*

Output-3 *“enhanced capacities of children, parents, teachers and community members to prevent, reduce and cope with disasters caused by natural hazards and human induced disasters”*

Details of achievements under this project will be reported in the next annual report.

Strengthening Electoral, Legislative Processes (SELP)

The project comprises of the following five key components and activities to be implemented in districts Charsadda and Sahiwal of the KP and Punjab provinces respectively:

1. Project initiation and mobilization
2. Training of Partner Organizations
3. Engagement and mobilization with local influential and professionals for increasing women’s voter registration
4. Listing of un-registered women
5. Facilitation of women for CNIC registration.

SPO has successfully completed the project by adopting a comprehensive strategy for a smooth, transparent and effective implementation. The project undertook activities to increase women's voter registration and political participation in the target districts. These activities included capacity building of women voters and reaching out to the women without CNICs and assisting them with in voter registration.

NADRA Mobile Registration Vans (MRVs) and NADRA Registration Centres (NRCs) were effectively used in this process to reach out to the women in the communities who have not been able to get themselves registered due to mobility issues. Community members in targeted areas participated in public forums, candidate debates and other large events to enhance event effectiveness for women's political participation. Public forums were hosted to engage officials from concerned government offices, community elders, elected representatives, youth, media and mainstream political parties. They addressed issues of restrictions women face barring them from political participation. Speakers advocated for getting the women CNICs and helping them in registering their votes.

Key project achievements are:

1. Increased acquisition of women's CNICs and women voter registration
2. Identified 32087 unregistered women from targeted Census Block Codes of both targeted districts
3. Enhanced acceptance of and commitment to women's voting rights within the targeted community
4. Increased electoral participation of 5857 women voters in General Elections 2018.

Improving Women's Participation in the Electoral Process

Pakistan has been facing a continuous political upheaval since independence in 1947. Democracy has been challenged time and again. So it was a critical point in time when general elections were announced. The Election Commission of Pakistan and all the political parties started preparations for the general election to be held in 2018. All stakeholders in the electoral process tried to make the elections transparent and inclusive. Civil society organizations had a vital role to play in electorate mobilization—particularly women— and monitoring the election process to ensure it remains inclusive and transparent.

SPO secured a project from the Citizen Voice Program of the Trust for Democratic Education and Accountability (TDEA) in districts Toba Tek Singh and Bahawalnagar of the Punjab province. The Project aimed to identify 86,000 unregistered women along with NADRA. Some 43,000 of these were to be registered with NADRA to enable them to participate in the electoral process by exercising their right to vote.

The project was implemented successfully from May 2017 to June 2018 in the target districts and achieved all its objectives.

Description	Identification	Facilitation
Target	86,000	43,000
Achieved	86,000	41,675

General elections were held consecutively for the third time in Pakistan in July 2018 and the transition of power from one democratically elected government to another took place smoothly. This was an important milestone in the march of democracy in Pakistan which is good for the development of the country. The project was thus a successful one.

Improved Access to Fair, Legitimate and Effective Justice in Pakistan

SPO has been implementing the “Improved Access to Fair, Legitimate and Effective Justice in Pakistan” programme in Khanewal, Bhakkar and Muzaffargarh districts of Punjab since April 2017 with the financial support of Oxfam. The initiative contributes in raising awareness and empowers women, youth and marginalized groups on legal rights. The target groups learn how to exercise their rights through legal mechanisms for access to justice.

Some 27 citizen groups called “Ba-Ikhtiar” were formed in nine UCs of the target districts. Each group consisted of 15-20 members hailing from diverse background and professions. A total of 27 one-day capacity building training workshops were conducted for these Ba-Ikhtiar Groups and elected local government representatives. These workshops focussed on the Punjab Local Government Act, 2013 and other relevant legal frameworks. Ba-Ikhtiar group members held monthly study circles to further pass on this knowledge on legal rights and mechanisms in their communities. These study groups also discuss problems they faced in seeking justice and contributed to their legal awareness in exercising their right to justice.

As a result, in addition to improved awareness among communities on legal rights, these meetings empowered them to claim their rights from the respective justice providers. This also illustrated pathways in developing a strongly rooted referral system between communities and justice providers to improve access to justice. In district Muzaffargarh, five cases were referred to the Musalihat Anjuman through the Ba-Ikhtiar Groups in union council Aalidaah, Nohinwali and Kharik. Out of these, the Musalihat Anjuman of union council Nohinwali settled one case, Musalihat Anjuman of union council Aalidah and two by Musalihat Anjuman of union council Kharik. Each of the 27 Ba-Ikhtiar groups in these target districts referred at least two issues to three District Advocacy Forumss for prioritization of access to justice issues in the advocacy plan for the year 2018-19.

Pakistan Mother Languages’ Literature Festival–2018

SPO joined hands with the Indus Cultural Forum and Lok Virsa to hold the “Pakistan Mother Languages’ Literature Festival” in Islamabad in 2018. Lok Virsa is the Government of Pakistan’s leading organisation to promote cultural diversity while the Indus Cultural Forum is a voluntary organization for cultural activism. The festival was funded by a consortium of donors including the Heinrich Böll Stiftung Pakistan (HBS), Foundation Open Society Institute Pakistan (FOSI) and IRC.

This was the first of its kind festival that brought together over 150 authors, artists and researchers in 2016 to celebrate the rich linguistic and cultural heritage of Pakistan. The second festival was held in Islamabad on 18-19 February 2017 at Lok Virsa.

The third edition of this festival in 2018 had even more features. These included book launches, panel discussions, readings, poetry recitals, and performance of music and other art forms in local languages. A separate exhibition of original local language books and their translated versions in Urdu and English was also organised. Activities were specially planned to introduce youth and children to the potential of local languages. Activities related to promotion of science were also a part of the literature festival. In addition to these activities, the festival provided a space for informal interaction with writers and for book signing. The festival featured at least 150 writers representing some 15 major Pakistani languages.

The topics and sessions of the festival were designed to promote and showcase plurality and inclusiveness of literary expression in Pakistani mother languages. A number of local authors are producing literary content in their own language to highlight issues of human rights, democratic space and the need for a progressive dialogue.

Since local languages are marginalized, their potential for effective promotion of human rights and democratic discourse is not fully recognized at the national level. The festival provided a platform with dedicated sessions to discuss human rights and democracy narratives in Pakistani mother languages. The event also mainstreamed the alternate discourse across the festival sessions.

Accountable Justice in Pakistan

SPO was part of the consortium that received DFID funding for the “Accountable Justice Programme in Pakistan (AJPP)”. The consortium comprised of DAI, Legal Aid Society and SPO. The first four months of the AJPP in 2017 were its inception phase during which SPO engaged with DAI and Legal Aid Society to finalize the theory of change, select target districts, undertake organisational assessments, develop the programme design and agree upon the implementation plan. The duration of funding was four years. However, the donor suspended the inception phase and the project was ultimately not awarded to the consortium.

Testing Adaptation in Flood-Based Resource Management Project

SPO is hosting the Secretariat of the Pakistan Spate-irrigation Network at its Head Office in Islamabad. This project is funded by the MetaMeta Research Institute of Netherlands and is being implemented by this network in collaboration with SPO. Following is a tabular form of the project's progress:

Component 1: NETWORK ESTABLISHMENT AND STRENGTHENING			
Output -1	Activity	Target (Nos.)	Ach- (Nos.)
1.1 Prepare country database of active WUAs	4 Regional Local Networks of WUA with enhanced farmers membership	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 and knowledge building	1	1
	Publicity Material	2	2
	Introduction of new Seeds in networks	2	1
	Networking on alternate means of communications (WhatsApp) farmer group.	0	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 interests (D.I.Khan KPK, Jam Shoro Sindh & Kachi Baluchistan)	3	3
1.4 Newsletter maintained and developed	Newsletter prepared, published and disseminated	2	0
	Membership of farmers updated and enhanced	4	4
	Effective communication with the farmers professional and practitioners	4	2
	Dissemination of spate related material	1	1
1.5 Organize country based knowledge sharing	Organize field based Knowledge, targeted knowledge sharing activities organized	2	2
1.6 Tailor Made Training to selected farmers groups/WUAs	Tailor-Made Training for farmers	2	0
	Provide scholarships to farmers	1	0
1.7 Develop and disseminate knowledge Products	Guide book on spate irrigation (under publication)	1	0
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 Baluchistan and Nai Gaj in Sindh	2	2
	Help farmers in Barkhan Baluchistan in water rights allocation/distribution on the newly built storage dam	1	0



Component 2: KNOWLEDGE PRODUCT DEVELOPMENT AND SOLUTION MANAGEMENT			
2.1 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 In progress
	Research on "Effect of Tillage on Enhancing Soil Fertility and Moisture Management" in progress through Gomal University Dera Ismail Khan, KPK.	0	1 In Progress
2.2 Training of Young Professional/Intern for 1 years	Capacity Building of young graduates in the field of sociology with focus on water rights, water distribution and spate related knowledge enhancement	1	1
2.2.1 Coordinate Research Program	Farmers are linked with research Universities	2	2
2.2.2 Study on Eco-System Services	Completed and published practical note on Eco-System of Bhag Narri district Kachi Baluchistan	1	1
Component 3: CAPACITY BUILDING			
3.1 MSc Support Program	Support to Arid Agriculture University Rawalpindi and Ghazi University DG Khan	2	0
3.1.1 Develop a FBL internship program for young professional	2 young graduates are awarded internship and engaged one each with Gomal University and Ghazi University respectively.	2	2
3.1.2 Farmers-Tailored Training	Training will be built on the outcomes of the research studies awarded to the University once they are final and published in scientific Journal of Pakistan	2	0
Component 4: SUPPORT TO INVESTMENT PLANS AND POLICIES			
4.1 Investment Program on command area development	Formulated 3 new proposals for funding. 1 investment proposal approved by Sustainable Water Fund supported by Ministry of Finance and Economic affairs. The project will be implemented closely with Government of Baluchistan and Sindh Province.	1	3
	Meeting with donors (USAID/WB)	2	0

Institutional Strengthening

Linkages and Networking

SPO continues membership of relevant forums and hosts some major national and international networks. This is part of its enduring role in harnessing networks of people and institutions working collectively to strengthen democratic voices, perceptions and practices.

At the national and local levels, SPO continues to create thematic as well as regional networks in areas where ever there is a void, a visible disconnect between the state and citizens. This is in order to bridge the gap by creating capacities in such networks to ultimately perform their due roles as conduits between citizens and the state. So far, SPO has created and has been partially hosting 42 Civil Society Networks (CSNs) and District Steering Committees (DSCs). In addition, SPO is presently hosting the Spate-Irrigation Network and National Humanitarian Network.

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
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
5. Member, Children's Rights Movement
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
9. Member, Gender Voices
10. BOD Member, - Human Resource Development Network
11. Member, Disaster Management Committee - National Disaster Management Authority
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
20. Member, Project Advisory Committee: Gender and Social Vulnerability to Climate Change
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
24. Member, General Body – Pakistan Reproductive Health Network
25. Member, National level – Accountability Learning Watch Group
26. Organizational Member, Active Learning Network for Accountability and Performance
27. Certified Member, Humanitarian Accountability Partnership International
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
32. Member, BoD Liberal Forum Pakistan
33. Member, Constituency Relations Group - 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
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 Pakhtunkhwa

1. Member, District Technical Committee - 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 - 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, Khyber Pakhtunkhwa
8. Member, Humanitarian Assistance Network, Khyber Pakhtunkhwa
9. Member, Aman Tehrik Network, Peshawar

Balochistan

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

SPO-UK

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

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

During the period July 2017 to June 2018, the mandatory meeting of the SPO-UK and numerous networking meetings were held to solicit support for SPO-UK. The Annual Meeting of the SPO-UK Board is being convened to take final decisions on the company's future programmes.

Social Development Enterprise (SDE)

The SDE is a subsidiary of SPO Pakistan. It is a Not-for-Profit national organisation registered since June 2013 under the Companies Ordinance, 1984. The SDE aims to provide training, research and build capacities of communities and professionals with a focus on community institutions, networks, community activists and volunteers for effective implementation of community development programmes. It provides a platform for research and development relating to object of the company. It also works for the development of human resources and promotion of economic and social well-being of poor masses with focus on training and development of skills of man-power and to provide all kinds of relief during calamities and emergencies, natural or otherwise, as required under the then given scenario.

During the period July 2017 to June 2018, four Meetings of the SDE Board of Directors and one Annual General Meeting took place. Major decisions taken by the Members in these Meetings include:

- The Board approved the Annual Progress Report and Audited Accounts 2016-17.
- The Members approved the Annual Work Plan and Budget 2017-18.
- The Members decided to appoint M/s Ernst & Young - Ford Rhodes Sidat Hyder & Company as the external auditors for the period 2017-18.
- The Board, taking note of the views of the General Body and owing to the growing financial constraints, decided to wind-up SDE and replace it with a new for-profit entity.

Management Information System (MIS)

Presently, SPO's MIS 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. The SPO MIS application is viewed as one of the finest in the development sector. This has not only brought efficiency, by reducing costs and improving quality but has also enabled the introduction of a significantly reduced paper environment across nine offices SPO has countrywide.

Another important use of this application has been the archiving of important institutional data over the past five years. This data includes proposals, donor reports, research studies, discussion and policy review papers, Monitoring and Evaluation (M&E) reports, financial reports, partner organizations profiles and SPO's thematic profiles and project fact sheets. Hence the SPO MIS provides the users a capable tool for knowledge management.

Human Resource Development

Staff Recruitment

SPO staff strength varies every month. It is dependent upon project and resource inflows. The HR department of SPO appointed a total of 57 new staff members in this reporting year. These postings were made at the SPO Head Office National Centre in Islamabad as well as at the various regional and project offices.

An outflow of staff also takes place round the year for various reasons. This especially relates to end of projects. The total core staff strength stays steady at 139 employees in June 2018.

Highlights

The year 2017-2018 saw three more women managers join the SPO team. Their roles ranged from the Programme Department to Senior Management positions and decision-making roles. This is a positive step and a direct outcome of SPO's Gender Policy that aims for equal-gender-ratio at all organisational tiers.

To promote the best interests of staff, SPO also revised its budgets for medical insurance and life insurance benefits offered to employees this year.

Online attendance software was developed in-house. It is fully linked with installed biometric machines. This is to facilitate staff especially in the remote areas as they can access their daily attendance in real time.

Financial Statements

for the Year
Ended
30 June 2018



EY

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A member firm of Ernst & Young Global Limited



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STRENGTHENING PARTICIPATORY ORGANIZATION

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

EY Ford Rhodes
Chartered Accountants
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To the members of Strengthening Participatory Organization

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of Strengthening Participatory Organization (the Company), which comprise the statement of financial position as at 30 June 2018, and the statement of income and expenditure, statement of other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, 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 the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of income and expenditure, statement of other comprehensive income, statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), 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 2018 and of the deficit and other comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the Directors' Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements





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of Companies Act, 2017(XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Board of directors are responsible for overseeing the Company's financial reporting process.

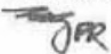
Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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





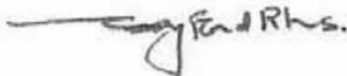
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Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of income and expenditure, statement of other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Ahsan Shahzad.

Ahsan Shahzad

Place: Islamabad
Date: 12 December 2018

STRENGTHENING PARTICIPATORY ORGANIZATION
(A Company incorporated under Section 42 of the Companies Act, 2017)
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE, 2018

	Note	30 June 2018	30 June 2017	1 July 2016
		-----Rupees-----		
			Restated [Refer to Note 5 (i)]	Restated [Refer to Note 5 (i)]
ASSETS				
NON-CURRENT ASSETS				
Property and equipment	6	111,778,153	117,818,294	181,479,582
Investment property	7	43,208,799	46,872,666	-
Intangible asset	8	141	5,028	63,867
Long-term deposit	10	300,000	-	-
		155,287,093	164,695,988	181,543,449
CURRENT ASSETS				
Grants receivable	17.1	29,843,060	34,339,048	11,571,893
Advances	9	77,738	740,709	1,113,600
Deposits and short-term prepayments	10	3,159,243	5,121,873	3,907,654
Interest accrued		28,433	57,486	1,246,895
Other receivables	11	20,944,186	10,224,519	13,244,132
Tax refunds due from the government - net	12	9,217,808	7,821,261	5,674,200
Short-term investments	13	-	1,224,902	129,000,000
Cash and bank balances	14	255,891,619	306,533,015	192,822,559
		319,162,087	366,062,813	358,580,933
TOTAL ASSETS		474,449,180	530,758,801	540,124,382
FUNDS, RESERVE AND LIABILITIES				
UNRESTRICTED FUNDS				
CAPITAL RESERVE				
Revaluation surplus on property	15	46,543,439	46,912,490	58,158,602
Total funds and reserve		412,048,006	479,479,705	475,817,107
NON-CURRENT LIABILITIES				
Deferred capital grants	16	3,079,587	7,225,700	23,264,053
Deferred grants against operating activities	17	39,579,799	27,989,116	30,271,139
		42,659,386	35,214,816	53,535,192
CURRENT LIABILITIES				
Accrued and other liabilities	18	19,741,788	16,064,280	10,772,083
CONTINGENCIES AND COMMITMENTS				
	19	-	-	-
TOTAL FUNDS, RESERVE AND LIABILITIES		474,449,180	530,758,801	540,124,382

The annexed notes, 1 to 35, form an integral part of these financial statements.


 CHIEF EXECUTIVE



 DIRECTOR

STRENGTHENING PARTICIPATORY ORGANIZATION
(A Company incorporated under Section 42 of the Companies Act, 2017)
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30 JUNE, 2018

	Note	2018 -----Rupees-----	2017
INCOME			
Grants	20	293,681,112	461,317,685
EXPENDITURE			
Programme activities:			
Programme expenses	21	(301,119,392)	(373,240,352)
Grants to Community Based Organizations (CBOs)/others	22	(20,867,610)	(49,885,055)
		<u>(321,987,002)</u>	<u>(423,125,407)</u>
Administrative expenses	23	(41,242,828)	(55,119,359)
OTHER OPERATING INCOME	24	16,302,128	21,157,553
OTHER OPERATING EXPENSE	25	<u>(13,267,589)</u>	-
(DEFICIT) / SURPLUS FOR THE YEAR		(66,514,179)	4,230,472
Taxation	26	(917,520)	(567,874)
NET (DEFICIT) / SURPLUS FOR THE YEAR		<u><u>(67,431,699)</u></u>	<u><u>3,662,598</u></u>

The annexed notes, 1 to 35, form an integral part of these financial statements.


 CHIEF EXECUTIVE


 DIRECTOR

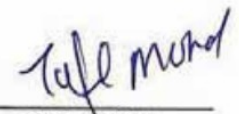
STRENGTHENING PARTICIPATORY ORGANIZATION
(A Company incorporated under Section 42 of the Companies Act, 2017)
STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE, 2018

Note	2018 -----Rupees-----	2017
(DEFICIT) / SURPLUS FOR THE YEAR	(67,431,699)	3,662,598
OTHER COMPREHENSIVE INCOME FOR THE YEAR	-	-
TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE YEAR	<u>(67,431,699)</u>	<u>3,662,598</u>

The annexed notes, 1 to 35, form an integral part of these financial statements.

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 CHIEF EXECUTIVE


 DIRECTOR

STRENGTHENING PARTICIPATORY ORGANIZATION
(A Company incorporated under Section 42 of the Companies Act, 2017)
STATEMENT OF CHANGES IN FUNDS AND RESERVE
FOR THE YEAR ENDED 30 JUNE, 2018

	UNRESTRICTED FUNDS			CAPITAL RESERVE		Total
	SPO Receipts	SPO Training Units	Vehicle Reserve Fund	Sub-total Funds	Revaluation surplus on property	
Balance at 30 June 2016 - as previously reported	267,199,619	74,731,941	75,726,945	417,658,505	-	417,658,505
Effect of retrospective change in accounting policy (Note: 5)	-	-	-	-	58,158,602	58,158,602
Balance at 1 July 2016 - restated	267,199,619	74,731,941	75,726,945	417,658,505	58,158,602	475,817,107
Net surplus for the year	2,828,018	760,139	74,441	3,662,598	-	3,662,598
Other comprehensive income	2,828,018	760,139	74,441	3,662,598	-	3,662,598
Transfer of revaluation surplus transferred to unrestricted funds on account of incremental depreciation	10,877,061	-	-	10,877,061	(10,877,061)	-
Balance at 30 June 2017 - restated	369,051	-	-	369,051	(369,051)	-
Net deficit for the year	281,273,749	75,492,080	75,801,386	432,567,215	46,912,490	479,479,705
Other comprehensive income	(67,673,801)	1,088,854	(846,752)	(67,431,699)	-	(67,431,699)
Transferred to unrestricted funds on account of incremental depreciation	(67,673,801)	1,088,854	(846,752)	(67,431,699)	-	(67,431,699)
Balance as at 30 June 2018	369,051	-	-	369,051	(369,051)	-
	213,968,999	76,580,934	74,954,634	365,504,567	46,543,439	412,048,006

The annexed pages, 1 to 35, form an integral part of these financial statements.


CHIEF EXECUTIVE


DIRECTOR

STRENGTHENING PARTICIPATORY ORGANIZATION
(A Company incorporated under Section 42 of the Companies Act, 2017)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE, 2018

Note	2018	2017
	----- (Rupees) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
(Deficit) / Surplus for the year	(67,431,699)	3,662,598
Adjustments for non-cash charges and other items:		
Depreciation	7,734,580	21,814,778
Incremental depreciation on revaluation surplus	369,051	369,051
Receivables written-off	9,603,722	171,224
Amortization	4,887	58,839
Funds against closed projects	-	1,230
Realization of revaluation surplus	(369,051)	(369,051)
Liabilities written-back	(41,232)	(380,802)
Gain on sale of fixed assets	(2,235,026)	(461,975)
Unrealized exchange gain	(2,581,614)	(794,022)
Loss / (gain) on revaluation of investment property	3,663,867	(3,333,333)
Return on saving accounts	(6,745,375)	(6,214,035)
Realized exchange loss / (gain)	10,167,494	(15,860,506)
Grant income	(293,681,112)	(461,317,685)
Operating deficit before working capital changes	(341,541,508)	(462,653,689)
Working capital changes:		
Decrease / (increase) in current assets		
Advances	662,971	372,891
Deposits and short-term prepayments	1,662,630	(1,214,219)
Other receivables	(20,323,389)	2,848,389
Increase in current liabilities		
Accrued and other liabilities	3,718,740	5,672,999
Cash used in operations	(355,820,556)	(454,973,629)
Advance tax paid	(1,396,547)	(2,147,061)
Grants received	306,268,201	420,228,924
Exchange (loss) / gain realized on foreign grant	(10,167,494)	15,860,506
Amount refunded to donors	(646,532)	-
Transferred to deferred grants against purchase of fixed assets	(1,348,568)	-
Net cash used in operating activities	(63,111,496)	(21,031,260)
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure	(419,668)	(1,729,400)
Proceeds from sale of fixed assets	2,308,823	498,552
Interest received	6,774,429	7,403,444
Net cash generated from investing activities	8,663,584	6,172,596
Net decrease in cash and cash equivalents	(54,447,912)	(14,858,664)
Cash and cash equivalents at the beginning of the year	307,757,917	321,822,559
Effect of changes in exchange rate	2,581,614	794,022
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	255,891,619	307,757,917

The annexed notes, 1 to 35, form an integral part of these financial statements.

CHIEF EXECUTIVE

DIRECTOR

STRENGTHENING PARTICIPATORY ORGANIZATION
(A Company incorporated under Section 42 of the Companies Act, 2017)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE, 2018

1 LEGAL STATUS AND OPERATIONS

1.1 Strengthening Participatory Organization ("SPO" or "the Company"), was incorporated on 15 January, 1994, under Section 42 of the Companies Ordinance, 1984 (now replaced by the Companies Act, 2017, with effect from 30 May, 2017), 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 registered office of the Company is situated at Plot no. 18-B/1, 2nd Floor, Chohan Plaza, G-8 Markaz, Islamabad, with regional/project/satellite offices in 12 cities of Pakistan, including Karachi, Lahore, Quetta, Peshawar, Hyderabad, and Multan, among others.

Geographical location and address of business units

Islamabad

Plot no. 18-B/1, 2nd Floor, Chohan Plaza, G-8 Markaz, Islamabad

Purpose
Head Office

Multan

House No. 339 & 340, Block D, Shah Rukn-e-Alam Colony, Multan.

Purpose
Regional Office

Lahore

889 C, Faisal Town, Lahore

Purpose
Regional Office

Quetta

House Number 58-A, Near Pak Japan Cultural Center, Jinnah Town, Quetta

Purpose
Regional Office

Hyderabad

Plot No. 158/2, Alamdar Chowk, Grid Station Qasimabad, Hyderabad

Purpose
Regional Office

Karachi

G-22, B/2 Park Lane 5, Clifton, Karachi

Purpose
Regional Office

Turbat

Pasni Road, Turbat

Purpose
Regional Office

Peshawar

House no. 9, Salar Lane, Old Bara Road, University Town, Peshawar

Purpose
Regional Office

Dera Ismail Khan

House no. 2, Qasim Road, Near Father School, D.I.Khan Cantt.

Purpose
Regional Office

Sukkur

House Number 253, Akhawat Nagar, Airport Road, Sukkur

Purpose
Project Office

The Company's license under section 42 of the repealed Companies Ordinance, 1984, issued by the Securities and Exchange Commission of Pakistan (SECP), expired in January, 2015. The Company's application for the renewal of the license, to SECP, submitted in January 2015, is awaiting clearance from the Ministry of Interior, Government of Pakistan. The management of the Company is confident that the license will be renewed in due course.

1.2 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 situations.

1.3 Summary of significant transactions and events

- (i) The five year long "Development Alternative Inc - Aawaz Programme" being implemented by the Company was completed during the year, owing to which there is a significant decrease in the programme expenditure of the Company. The management of the Company, however, has submitted proposals for new projects to increase its programme and welfare activities.
- (ii) During the year, the Board of Directors of the Company decided to wind-up the operations of Social Development Enterprise (the Subsidiary company or SDE). Accordingly, all existing assets of SDE were realised and liabilities settled, after making necessary inter-company adjustments and transfers, resulting in receivable from subsidiary - net amounting to Rs. 9,604 thousand being written-off during the year (refer note 11.2 for details).
- (iii) During the year the Federal Board of Revenue (FBR) made a recovery against withholding tax amounting to Rs. 17,173 thousand, directly from the Company's bank account, against demands relating to the tax years 2012 and 2014 (refer note 11.3 for details).
- (iv) On 1 July, 2017 the Company changed its accounting policy for the revaluation surplus on property, in accordance with requirements of the accounting and reporting standards as applicable in Pakistan under the Companies Act, 2017 (refer note 5 for details).

STRENGTHENING PARTICIPATORY ORGANIZATION
(A Company registered under Section 42 of the Companies Act, 2017)

- (v) Various items of property and equipment having cost of Rs. 33,319 thousand and accumulated depreciation Rs. 33,245 thousand were disposed-off/transferred during the year (refer to note 6 for details).
- (vi) As at the year end, the Company recorded a revaluation loss amounting to Rs. 3,664 thousand on its investment property (refer note 7 for details).

2 STATEMENT OF COMPLIANCE

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

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

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards or the Accounting Standard for NPOs, the provisions of and directives issued under the Companies Act, 2017 have been followed.

The financial statements for current year has for the first time been prepared under the provisions of and directives issued under the Companies Act, 2017, which have resulted in the following changes in the current year financial statements, as compared to prior year financial statements prepared under the provisions of and directives issued under the Companies Ordinance, 1984:

- Changes in nomenclature of the primary financial statements; and
- Disclosures by fifth schedule of the Companies Act, 2017, resulting in elimination of certain disclosures, already included in IFRSs, and inclusion of significant additional disclosures, refer to notes 1, 1.3, 2, 5, 6, 15, 31 and 33.

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, amendment and interpretation, and have not been adopted early by the Company:

Standard / IFRIC	Effective date (annual periods beginning on or after)
IFRS 2 Share-based Payments – Classification and Measurement of Share-based Payments Transactions – (Amendments)	01 January, 2018
IFRS 10 & IAS 28 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
IFRS 4 Insurance Contracts: Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts – (Amendments)	01 January, 2018
IFRS 9 Financial Instruments: Classification and Measurement	01 July, 2018
IFRS 15 Revenue from Contracts with Customers	01 July, 2018
IFRS 16 Leases	01 January, 2019
IAS 19 & IAS 28 Employee benefits - Remeasurement on a Plan Amendment, Curtailment or Settlement / Availability of a Refund from a Defined Benefit Plan (Amendments)	01 January, 2019
IAS 28 Investment in Associates and Joint Ventures - Long-term Interests in Associates	01 January, 2019
IAS 40 Investment Property: Transfers of Investment Property (Amendments)	01 January, 2018
IFRIC 22 Foreign Currency Transactions and Advance Consideration	01 January, 2018
IFRIC 23 Uncertainty over Income tax treatment	01 January, 2019

The above amendments to the approved accounting standards and the new standards are not expected to have any material impact on the Company's financial statements in the period of their initial application, except for IFRS-16, for which management is assessing the financial impact.

In addition to the above new standards and amendments to standard and interpretations, improvements to various accounting standards have also been issued by the IASB in December 2016 and December 2017. Such improvements are generally effective for accounting periods beginning on or after 01 January, 2018 and 01 January, 2019, respectively. 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:

Standard	Effective date (annual periods beginning on or after)
IFRS 1 – First-time Adoption of International Financial Reporting Standards	01 January, 2004
IFRS 14 – Regulatory Deferral Accounts	01 January, 2016
IFRS 17 – Insurance Contracts	01 January, 2021

4 BASIS OF MEASUREMENT

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 except for the following:

(i) Change in accounting policy

The Companies Act, 2017 has introduced changes to the accounting and reporting standards applicable to companies, which have been applied for the first time in these financial statements. The changes in the accounting and reporting standards have impacted the Company's accounting policy relating to the revaluation surplus on property. Accordingly, the accounting policy of the revaluation surplus on property has been changed and applied retrospectively in these financial statements to comply with the accounting and reporting standards applicable to the Company. The change in accounting policy did not have any impact on equity.

(ii) Change in accounting policy of revaluation surplus on property

On 1 July, 2017 the Company changed its accounting policy for the revaluation surplus on property, in accordance with requirements of the accounting and reporting standards as applicable in Pakistan under the Companies Act, 2017. Previously, the Company's accounting policy for surplus on revaluation of property was in accordance with the provisions of section 235 of the repealed Companies Ordinance, 1984. Further, the revaluation surplus on property was shown as a separate item below equity, in accordance with the presentation requirement of the repealed Companies Ordinance, 1984.

The Companies Act, 2017 has not retained the above mentioned specific accounting and presentation requirements of revaluation surplus on property and equipment. Consequently, this impacted the Company's accounting policy for revaluation surplus on property, and now the related accounting and presentation requirements set out in IFRS are being followed by the Company. The new accounting policy is explained in note 5, below. Further, the revaluation surplus on property is now presented in the Statement of Financial Position and Statement of Changes in Funds and Reserve as a capital reserve i.e. part of equity.

In these financial statements the above explained change in accounting policy has been accounted for retrospectively, with the restatement of the comparative information.

The effect of the change is recognition and presentation of Rs. 46,912 thousand for revaluation surplus on property as a capital reserve i.e. separate component of equity and derecognition of surplus on revaluation of property of Rs. 46,912 thousand, previously presented below funds in the Statement of Financial Position.

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.

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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 rates.

At the reporting date, gross grant receivable amounted to Rs. 29,843 thousand (2017: Rs 34,339 thousand) and other receivables amounted to Rs. 20,994 thousand (2017: 10,225 thousand) against which provision for doubtful debts amounting to Rs. 1.212 million (2017: 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 Statement of Income and Expenditure.

(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 estimates.

(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 2018 was Rs. 111,778 thousand (2017: Rs. 117,818 thousand).

The carrying amount of intangible assets at 30 June 2018 was Rs. 141 (2017: Rs. 5,028).

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 2018 amounted to Rs. 43,209 thousand (2017: Rs. 46,873).

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 Statement of Income and Expenditure 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.

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.

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 Statement of Income and Expenditure as and when incurred.

Any revaluation increase arising on the revaluation of land and buildings is recognised in other comprehensive income and presented as a separate component of equity as "Surplus on revaluation of property", except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. Any decrease in carrying amount arising on the revaluation of land and buildings is charged to profit or loss to the extent that it exceeds the balance, if any, held in the revaluation surplus on property and equipment relating to a previous revaluation of that asset. The revaluation reserve is not available for distribution to members of the Company. The surplus on revaluation of property to the extent of incremental depreciation charged is transferred to funds.

During the year the Company changed its accounting policy in respect of the accounting and presentation of surplus on revaluation of property. Previously, the Company's accounting policy was in accordance with the provisions of repealed Companies Ordinance, 1984. Those provisions and resultant previous policy of the Company was not in alignment with the accounting treatment and presentation of revaluation surplus as prescribed in the IFRS. However, the Companies Act, 2017 has not specified any accounting treatment for revaluation surplus, accordingly the Company has changed the accounting policy and is now following the IFRS prescribed accounting treatment and presentation of revaluation surplus.

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 Statement of Income and Expenditure 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 Statement of Income and Expenditure 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.

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5.4 Intangibles

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

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 Statement of Income and Expenditure 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 and reserves

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. In addition to this, the Company also has a Capital Reserve as described under note 5.2. The Company being established under Section 42 of the Companies Act, 2017, none of its funds and reserve are distributable to the members of the Company.

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 which is separately maintained, 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, the Company has applied for renewal, the response for which is awaited.

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 against income from grants 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. The donors do not have any economic influence on / interest in the operations of the Company.

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 Statement of Income and Expenditure to the extent of expenditure incurred. Expenditure incurred against grants, against which grant funds have been committed but not received, is recognized in the Statement of Income and Expenditure and is reflected as a receivable from donors in the Statement of Financial Position.

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 Statement of Income and Expenditure, 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 Statement of Financial Position 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 Statement of Financial Position, 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 Statement of Financial Position 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 Statement of Financial Position 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 Statement of Income and Expenditure, 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

14

STRENGTHENING PARTICIPATORY ORGANIZATION
(A Company registered under Section 42 of the Companies Act, 2017)

Note	2018	2017
	Rupees	
Operating fixed assets	111,778,153	117,000,895
Capital work in progress	-	817,399
	<u>111,778,153</u>	<u>117,818,294</u>

6.1 OPERATING FIXED ASSETS

Note	COST / REVALUED AMOUNT			ACCUMULATED DEPRECIATION			WRITTEN DOWN VALUE			
	As at 01 July, 2017	Additions	Disposals/ Transfers (Note 6.4)*	As at 01 July, 2017	Charge for the year	Disposals/ Transfers (Note 6.4)*	As at 30 June, 2018	As at 30 June, 2017		
	Rupees									
Freehold land	80,693,217	817,399	-	1,493,820	-	-	2,987,640	81,510,616		
Building on freehold land	29,876,397	-	-	1,493,820	-	-	2,987,640	26,888,757		
Electrical appliances and equipment	38,902,041	365,158	(1,569,724)	36,396,945	1,475,100	(1,567,201)	36,304,844	1,392,631		
Vehicles	73,208,483	-	(2,054,304)	71,451,713	1,735,127	(2,054,304)	70,695,184	21,642		
Computer equipment	41,942,155	1,128,354	(22,862,248)	39,955,249	2,080,367	(22,862,248)	38,646,176	1,034,578		
Furniture and fixtures	15,105,419	274,724	(3,389,755)	13,429,090	950,166	(3,389,440)	13,429,176	929,929		
	279,727,712	2,585,635	(8,402,174)	162,726,817	7,734,580	(8,328,377)	137,216,468	111,778,153		
			(24,916,552)			(24,916,552)				
	Rupees									
	COST / REVALUED AMOUNT									
	As at 01 July, 2016	Additions	Disposals/ Transfers (Note 6.5)**	As at 30 June, 2017	Rate	As at 01 July, 2016	Charge for the year	Disposals/ Transfers (Note 6.5)**	As at 30 June, 2017	
	Rupees									
Freehold land	114,026,550	-	(33,333,333)	80,693,217	-	-	-	-	80,693,217	
Building on freehold land	40,082,397	-	(10,206,000)	29,876,397	5	-	1,493,820	-	28,382,577	
Electrical appliances and equipment	42,045,488	310,200	(3,453,647)	38,902,041	20	34,541,081	5,291,767	(3,435,903)	36,396,945	
Vehicles	76,407,436	104,000	(3,302,953)	73,208,483	20	64,285,349	10,469,317	(3,302,953)	71,451,713	
Computer equipment	43,710,008	1,133,000	(2,900,853)	41,942,155	33	40,550,707	2,305,182	(2,900,640)	39,955,249	
Furniture and fixtures	15,947,019	182,200	(1,023,800)	15,105,419	20	12,179,578	2,254,692	(1,005,180)	13,429,090	
	332,218,898	1,729,400	(54,220,586)	279,727,712		151,556,715	21,814,778	(10,644,676)	162,726,817	
									117,000,895	

6.2 Additions to freehold land represents transfer of cost from capital work in progress recorded against payments made to a vendor in respect of soil testing and architectural designs for construction of building in Multan.

6.3 Depreciation for the year has been charged entirely to Administrative expenses (Note 23).

6.4 The transfers represent fully depreciated assets transferred back to donors, upon completion of respective projects.

6.5 The transfer represented transfer of freehold land and building from property and equipment to investment property, due to a change in use.

6.6 All items of property and equipment disposed-off/sold during the year had an aggregate net book value of less than Rs. 500,000.

6.7 The revalued land 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 two separate classes of asset under IFRS 13, based on the nature, characteristics and risks of the land and properties.

6.8 The fair value of the land and property was determined using the comparable market 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 last revaluation 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.

6.9 Fair value measurement hierarchy of the assets:

	Date of valuation	Significant unobservable inputs	
		Significant observable inputs	Significant unobservable inputs
Land	30 June, 2016	80,693,217	(Level 2)
Buildings	30 June, 2016	29,876,397	(Level 3)
		110,569,614	

6.10 Significant unobservable input:

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

Significant increases / (decreases) in estimated price per square meter in isolation would result in a significantly higher / (lower) fair value.

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

	2018	
	Total	Rupees
Cost	75,883,633	53,388,251
Accumulated depreciation	(14,320,414)	(14,320,414)
Net carrying amount	61,563,219	39,067,837

	2017	
	Total	Rupees
Cost	75,066,234	52,570,852
Accumulated depreciation	(13,195,645)	(13,195,645)
Net carrying amount	61,870,589	39,375,207

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

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7	INVESTMENT PROPERTY	2018	2017
		-----Rupees-----	
i)	Qualitative and quantitative disclosures		
	Opening balance as at 01 July	46,872,666	-
	Additions (subsequent expenditure)	-	43,539,333
	(Loss)/ Gain from fair value measurement	(3,663,867)	3,333,333
	Balance as at 30 June	<u>43,208,799</u>	<u>46,872,666</u>

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 2018, the fair value of the property was based on a valuation performed by Spectrum Services (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.

The forced sale value of the investment property as at 30 June 2018 amounts to Rs. 39,030 thousand (2017: Rs. 42,553 thousand).

	2018	2017
	-----Rupees-----	
Rental income derived from investment property	1,775,585	1,980,000
Direct operating expenses generating rental income	-	(451,266)
Direct operating expenses that did not generate rental income	-	-
Profit arising from investment properties carried at fair value	<u>1,775,585</u>	<u>1,528,734</u>

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)	Fair value related disclosures	Land	Building
		-----Rupees-----	
	Reconciliation of fair value:		
	As at 1 July 2017	36,666,667	10,206,000
	Remeasurement recognized in the Statement of Income and Expenditure	(1,666,667)	(1,997,200)
	As at 30 June 2018	<u>35,000,000</u>	<u>8,208,800</u>

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 Statement of Income and Expenditure. 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	Range	
			2018	2017
			-----Rupees-----	
Land and building	Comparative value method	Estimated rental value per sqm	4,400	3,757

STRENGTHENING PARTICIPATORY ORGANIZATION
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iv) **FAIR VALUE MEASUREMENT HEIRARCHY**

Fair value measurement hierarchy for assets as at 30 June, 2018

	Date of valuation	Fair value measurement using		
		Total	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
-----Rupees-----				
Investment property				
Land	30 June, 2018	35,000,000	35,000,000	-
Building	30 June, 2018	8,208,800	-	8,208,800
		<u>43,208,800</u>	<u>35,000,000</u>	<u>8,208,800</u>
8 INTANGIBLE ASSET			2018	2017
	Note		-----Rupees-----	
Cost				
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>
Accumulated amortization				
Balance as at 01 July			(2,065,298)	(2,006,459)
Charge for the year			(4,887)	(58,839)
			<u>(2,070,185)</u>	<u>(2,065,298)</u>
Balance at the 30 June			<u>141</u>	<u>5,028</u>
9 ADVANCES				
To employees:				
against expenses			48,525	351,277
against salary			29,213	389,432
			<u>77,738</u>	<u>740,709</u>
10 DEPOSITS AND SHORT-TERM PREPAYMENTS				
Deposits				
Security deposits				
- Long-term portion			300,000	-
- Short-term portion			1,799,385	2,672,519
Short-term prepayments				
Rent	10.1		1,120,000	858,000
Insurance			-	322,274
PO/CSN/Networks			-	203,000
Others			239,858	1,066,080
			<u>1,359,858</u>	<u>2,449,354</u>
			<u>3,159,243</u>	<u>5,121,873</u>
10.1	This represents pre-paid rent for the Head Office of the Company, situated in Islamabad.			
11 OTHER RECEIVABLES			2018	2017
	Note		-----Rupees-----	
Considered good				
Receivable from employees			85,748	163,544
Receivable from Partner NGO's and donors	11.1		1,507,246	19,047
Receivable from subsidiary - net	11.2		-	8,550,585
Withholding tax collected in advance	11.3		17,172,865	-
Others			2,178,327	1,491,343
			<u>20,944,186</u>	<u>10,224,519</u>
Considered doubtful - Receivable from previous land lord			1,212,759	1,212,759
			<u>22,156,945</u>	<u>11,437,278</u>
Provision against doubtful other receivables			(1,212,759)	(1,212,759)
			<u>20,944,186</u>	<u>10,224,519</u>

STRENGTHENING PARTICIPATORY ORGANIZATION**(A Company registered under Section 42 of the Companies Act, 2017)**

- 11.1 This represents receivables from different Partner NGOs/donors on account of expenses incurred on their behalf and reimbursement of extra expenditure on programme activities.
- 11.2 This represents net receivable from the subsidiary of the Company written-off during the year, due to winding-up of the subsidiary.

	Note	2018	2017
		-----Rupees-----	
Movement in amount receivable from the subsidiary - net			
Opening balance		8,550,585	8,083,496
Expenditure incurred		3,457,714	7,250,967
Services received		(1,114,485)	(5,133,802)
Payments received - net		(797,188)	(1,650,076)
		<u>10,096,626</u>	<u>8,550,585</u>
Assets transferred from subsidiary		(931,022)	-
Other liabilities transferred from subsidiary		438,118	-
		<u>9,603,722</u>	<u>8,550,585</u>
Amount written-off	25	(9,603,722)	-
		<u>-</u>	<u>8,550,585</u>

- 11.3 During the year, as per notice of demand [Letter no. 800988-1] dated 11 January, 2018, received by the Company, an order was passed under section 161/205 for the tax year 2014, whereby an amount of Rs. 17,001,896 was determined to be payable by the Company. In February, 2018, the Company filed an appeal with the Commissioner Inland Revenue – Appeals II against the notice of demand received and for grant of stay. The application for stay being dismissed, an aggregate amount of Rs. 17 million was deducted by the Federal Board of Revenue (FBR) in February and March 2018, directly from the bank account of the Company against tax years 2014 and 2012, respectively. Subsequent to the year end, a Nil assessment was issued by the Assistant Commissioner Inland Revenue, in respect of the demand raised against the tax year 2014. Accordingly, the Company has recorded a receivable from the tax authorities against the same.

	Note	2018	2017
		-----Rupees-----	
12 TAX REFUNDS DUE FROM THE GOVERNMENT - NET			
Advance income tax		20,742,844	18,428,777
Provision for taxation	12.1	(11,525,036)	(10,607,516)
		<u>9,217,808</u>	<u>7,821,261</u>
12.1 Break-up of provision for taxation:			
- Current year		917,520	567,874
- Prior years		10,607,516	10,039,642
		<u>11,525,036</u>	<u>10,607,516</u>
13 SHORT-TERM INVESTMENTS			
Investment for deceased employee		-	1,224,902
Held-to-maturity			
Term Deposit Receipts (TDRs)		-	-
Cost		-	-
Accrued interest at Effective Interest Rate		-	1,946
		-	<u>1,226,848</u>
Shown as part of accrued interest	13.1	-	(1,946)
		<u>-</u>	<u>1,224,902</u>

- 13.1 This represented TDRs matured during the year.

STRENGTHENING PARTICIPATORY ORGANIZATION
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14	CASH AND BANK BALANCES	Note	2018 -----Rupees-----	2017
	Cash			
	In hand		207,995	250,424
	At Banks			
	Current accounts			
	local currency		147,220,919	23,417,469
	foreign currency		382	8,607,612
			147,221,301	32,025,081
	Savings accounts			
	local currency		97,853,521	248,273,863
	foreign currency		10,608,802	25,983,647
		14.1	108,462,323	274,257,510
			<u>255,891,619</u>	<u>306,533,015</u>
14.1	These carry mark-up ranging between 4.55% to 6.20% (2017: 3.75% to 6%) per annum.			
15	REVALUATION SURPLUS ON PROPERTY			
	The revaluation surplus on property is restated and now presented as a separate capital reserve in the financial statements (note 5).			
		Note	2018 -----Rupees-----	2017
	Opening balance		46,912,490	58,158,602
	Revaluation surplus transferred to fund		-	(10,877,061)
	Incremental depreciation for building		(369,051)	(369,051)
			<u>46,543,439</u>	<u>46,912,490</u>
16	DEFERRED CAPITAL GRANTS			
	Balance at the beginning of the year		7,225,700	23,264,053
	Additions during the year (at cost)		1,348,568	1,248,720
			8,574,268	24,512,773
	Amortization during the year			
	Charge for the year		(5,420,922)	(17,367,801)
	Adjustment of disposal		-	106,870
	Relating to assets disposed-off		(73,759)	(26,142)
			(5,494,681)	(17,287,073)
			<u>3,079,587</u>	<u>7,225,700</u>
17	DEFERRED GRANTS AGAINST OPERATING ACTIVITIES			
	Opening balance		(6,349,932)	18,699,246
	Grants received during the year		306,268,201	420,228,924
	Grants recognized in the Statement of Income and Expenditure			
	Against expenditure incurred		(284,416,072)	(409,570,768)
	Against services performed		(13,937,852)	(18,599,338)
	Against closed projects		-	-
			(298,353,924)	(428,170,106)
	Refunds to donors		(646,532)	-
	Transferred to deferred grants against purchase of fixed assets		(1,348,568)	(1,248,720)
	Balances written-off against closed projects		-	1,230
	Exchange loss/ (gain) recognized		10,167,494	(15,861,736)
	Closing balance		<u>9,736,739</u>	<u>(6,349,932)</u>
	Break-up of closing balance			
	Unspent grants		39,579,799	27,989,116
	Grants receivable - gross		(29,843,060)	(34,339,048)
		17.1	<u>9,736,739</u>	<u>(6,349,932)</u>

Granting Balance at 01 July, 2017

Statement of Income and Expenditure

Closing Balance at 30 June, 2018

	Granting Balance at 01 July, 2017							Statement of Income and Expenditure							Closing Balance at 30 June, 2018						
	A	B	C=A+B	D	E	F	G	H=E+F+G	I	J	K=C+D+H+I	L	M	N=L+M							
	Unspent grants	(Grants receivable)	Total unspent grants/receivable	Grants received	Against expenditure incurred	Against services performed	Against closed projects	Total	Exchange loss	Transferred to deeded grants against purchase of fixed assets	Returned to donors	Adjustments	Closing Balance	Unspent grants	Grants receivable - gross	Total unspent grants/receivable					
British High Commission (BHC) Nagpur, Fund	2,064,133	-	2,064,133	-	-	-	-	(6,525,448)	-	-	-	-	2,064,133	-	-	2,064,133					
Catholic Agency for Overseas Development (CAFOD)	474,994	-	474,994	-	-	-	-	(6,653,014)	-	-	-	-	474,994	-	-	474,994					
Participation in Electoral Process - Improving Women Development Alternative Inc - Jamsil	-	(324,700)	(324,700)	64,302,536	-	-	-	281,024	-	-	-	-	281,024	-	-	281,024					
Foundation Open Society Institute (FOSI) Mother Language Festival	-	(9,581,725)	(9,581,725)	1,154,198	-	-	-	(6,656,291)	-	-	-	-	1,154,198	-	-	1,154,198					
Gender Equity Programme - Aurat Foundation	-	(1,981,871)	(1,981,871)	815,035	-	-	-	(13,242)	-	-	-	-	815,035	-	-	815,035					
Global Partnership for Education (GPE) Region 1	754,732	(1,940,070)	(1,185,338)	4,537,905	(9,776,349)	(704,000)	-	(10,544,540)	-	-	-	-	4,537,905	-	-	4,537,905					
Global Partnership for Education (GPE) Region 4	4,477,996	(325,049)	4,152,947	6,038,528	(11,082,303)	(957,480)	-	(12,004,303)	-	-	-	-	4,152,947	-	-	4,152,947					
Shilpa - Improving Maternal and Child Health Services	-	(8,902,309)	(8,902,309)	23,861,252	6,000	-	-	6,000	-	-	-	-	23,861,252	-	-	23,861,252					
Logistical support in Michip Districts	-	(24,359)	(24,359)	594,595	(21,315,685)	-	-	(21,315,685)	-	-	-	-	594,595	-	-	594,595					
Merry Corp. - NFR	-	(3,593)	(3,593)	16,225,228	(18,311,523)	-	-	(18,311,523)	-	-	-	-	16,225,228	-	-	16,225,228					
Oxford Access to Justice	-	(1,279,787)	(1,279,787)	9,020,544	(8,808,687)	-	-	(18,888,687)	-	-	-	-	9,020,544	-	-	9,020,544					
Oxford Strategic Partnership project	2,275,075	-	2,275,075	12,457,418	(15,072,271)	(1,880,078)	-	(12,907,749)	-	-	-	-	12,457,418	-	-	12,457,418					
Oxford Enhancing CSOs' contributions	-	(115,000)	(115,000)	18,202,320	(15,072,271)	(1,880,078)	-	(16,942,249)	-	-	-	-	18,202,320	-	-	18,202,320					
Pakistan Poverty Alleviation Fund (PPAF)	2,297,848	(9,472)	2,297,848	2,012,760	(1,440,072)	-	-	(1,440,072)	-	-	-	-	2,012,760	-	-	2,012,760					
Rozan	-	(9,472)	(9,472)	388,800	(271,241)	-	-	(271,241)	-	-	-	-	388,800	-	-	388,800					
Sindh Education Foundation Assisted Schools (SEAS)	1,008,191	-	1,008,191	1,513,500	(2,600,746)	-	-	(2,600,746)	-	-	-	-	1,513,500	-	-	1,513,500					
Sindh Education Foundation - Adolescent and Adult Learning and Training Programme (AAATP)	5,442,135	-	5,442,135	2,421,800	(12,705,779)	(400,000)	-	(13,105,779)	-	-	-	-	2,421,800	-	-	2,421,800					
Sindh Government - Mother Language Festival	3,781,600	-	3,781,600	6,941,625	(12,279,793)	(260,000)	-	(12,579,793)	-	-	-	-	6,941,625	-	-	6,941,625					
Trust for Democratic Education and Accountability (TDEA)	-	(5,704)	(5,704)	-	-	-	-	-	-	-	-	-	-	-	-	(5,704)					
TDA - Deepening Democracy and Electoral Support Project (DEEP)	-	(180,828)	(180,828)	180,828	(21,600,889)	(665,000)	-	(21,728,889)	-	-	-	-	180,828	-	-	180,828					
Treasure	1,115,162	-	1,115,162	22,446,071	(11,565,865)	-	-	(11,565,865)	-	-	-	-	22,446,071	-	-	22,446,071					
UNCAID Small Grants	974,679	(1,500)	974,679	9,076,442	(6,668,570)	-	-	(6,668,570)	-	-	-	-	9,076,442	-	-	9,076,442					
United Nations Development Programme (UNDP)	-	(1,500)	(1,500)	16,035,630	(10,828,283)	-	-	(16,668,570)	-	-	-	-	16,035,630	-	-	16,035,630					
UNICEF	-	(6,170,858)	(6,170,858)	12,641,091	(750,000)	-	-	(750,000)	-	-	-	-	12,641,091	-	-	12,641,091					
Wateraid Wash	275,718	-	275,718	675,000	(744,351)	-	-	(6,007,301)	-	-	-	-	675,000	-	-	675,000					
Wateraid Wash	-	-	-	16,579,346	(2,218,400)	-	-	(4,525,012)	-	-	-	-	16,579,346	-	-	16,579,346					
Wateraid Wash	-	-	-	3,170,482	(1,420,082)	-	-	(4,525,012)	-	-	-	-	3,170,482	-	-	3,170,482					
World Council of Churches (WCC)	-	-	-	2,306,427	(1,990,331)	-	-	(4,280,658)	-	-	-	-	2,306,427	-	-	2,306,427					
World Council of Churches (WCC)	-	-	-	3,000,000	(1,990,331)	-	-	(4,280,658)	-	-	-	-	3,000,000	-	-	3,000,000					
World Council of Churches (WCC)	-	-	-	2,489,592	(91,879)	-	-	(1,990,331)	-	-	-	-	2,489,592	-	-	2,489,592					
Materials housed in SHO:	26,727,838	(26,106,480)	621,358	278,579,487	(265,076,160)	(13,381,852)	-	(278,601,012)	-	-	-	-	278,579,487	-	-	278,579,487					
Isaiah Hongob Inland	101,935	-	101,935	1,142,834	(1,192,746)	-	-	(1,192,746)	-	-	-	-	1,142,834	-	-	1,142,834					
NHR-Strengthening FATA Coordination Mechanism	-	-	-	11,402,159	(5,610,635)	(134,600)	-	(5,745,435)	-	-	-	-	11,402,159	-	-	11,402,159					
ADPC NHR-Ahlan Disaster Preparedness Center, Thailand	33,206	(670,406)	(637,200)	4,028,135	(191,040)	-	-	(3,966,955)	-	-	-	-	4,028,135	-	-	4,028,135					
NHR - CARE 1	-	(3,457,789)	(3,457,789)	2,702,706	(5,520,676)	(430,000)	-	(9,308,462)	-	-	-	-	2,702,706	-	-	2,702,706					
NHR - CARE 2	1,343,057	-	1,343,057	3,152,481	(5,350,890)	-	-	(4,007,809)	-	-	-	-	3,152,481	-	-	3,152,481					
NHR - Trust Fund	882,883	-	882,883	5,319,610	(3,507,907)	-	-	(1,990,331)	-	-	-	-	5,319,610	-	-	5,319,610					
NHR - Ashraf	-	(2,203,877)	(2,203,877)	27,728,714	(19,306,672)	(350,000)	-	(27,025,472)	-	-	-	-	27,728,714	-	-	27,728,714					
NHR - Ashraf	-	(1,975,987)	(1,975,987)	306,206,207	(284,816,672)	(13,937,825)	-	(306,970,704)	-	-	-	-	306,206,207	-	-	306,206,207					
Space Irrigation	2,261,181	-	2,261,181	10,717,434	-	-	-	10,717,434	-	-	-	-	2,261,181	-	-	2,261,181					
Total	27,868,118	(24,370,040)	3,498,078	366,206,207	(284,816,672)	(13,937,825)	-	(306,970,704)	-	-	-	-	366,206,207	-	-	366,206,207					

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18	ACCRUED AND OTHER LIABILITIES	Note	2018 -----Rupees-----	2017
	Accrued liabilities		3,724,011	1,823,476
	Other liabilities			
	Payable to suppliers	18.1	10,259,776	11,678,013
	Employees' provident fund payable	18.2	4,099,721	297,737
	Payable to family of deceased employee		-	1,224,902
	Payable to staff		964,106	375,662
	Withholding tax payable		552,339	343,723
	Sales tax payable	18.3	131,286	35,659
	Others		10,549	285,108
			<u>16,017,777</u>	<u>14,240,804</u>
			<u>19,741,788</u>	<u>16,064,280</u>
18.1	This represents amounts payable to various vendors in respect of lodging, fuel, insurance expenses etc.			
18.2	This represents employee and employer provident fund contributions for the months of August 2017 and June 2018, payable to the fund as at the year end.			
18.3	This includes liability against sales tax withheld amounting to Rs. 54,721 payable on account of the Company's subsidiary which is in the process of winding up (refer note 1.3 to the financial statements).			
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. The Company has filed an appeal against the order with the Commissioner Inland Revenue (Appeals) whereby the case was remanded back to the taxation officer for reassessment.			
	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.			
20	GRANT INCOME	Note	2018 -----Rupees-----	2017
	Programme expenditure	20.1	298,353,925	428,170,106
	Amortization of deferred grants	16	5,494,681	17,287,073
			303,848,606	445,457,179
	Exchange (loss) / gain realized on foreign grant		(10,167,494)	15,860,506
			<u>293,681,112</u>	<u>461,317,685</u>

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20.1	Programme expenditure	Note	2018	2017
			-----Rupees-----	
	Development Alternatives Inc - Department for International Development (DAI - DFID)		69,519,305	182,448,308
	Sindh Education Foundation		28,482,247	20,150,174
	Mercy Corps		27,210,210	30,261,534
	Global Partnership for Education		22,554,463	15,515,717
	Trocaire		21,728,869	9,784,847
	Jhpiego		21,310,665	31,978,111
	ON Strategic Partnership Dialogue		15,314,518	-
	Oxfam Access to Justice		12,987,745	1,279,787
	USAID small grants fund		11,565,885	8,549,521
	Wateraid Wash		10,828,283	3,892,461
	Foundation Open Society Institute		8,602,301	2,095,000
	UNICEF		6,666,520	27,896,683
	Citizen Voice Programme (CVP) - Improving Women Participation in Electoral Process in Pakistan		6,525,448	574,700
	TDEA-UNDP		4,525,013	-
	Action Aid -LOCAL RIGHTS PROGRAMME (LRP)		4,108,781	-
	Oxfam Novib - Strategic Partnership Project		1,627,831	15,760,192
	Oxfam Enhancing CSOs' contributions		1,460,073	-
	PMLLF-2018		1,426,092	-
	DAI AJPP		829,242	3,497,564
	Heinrich Boll Stiftung		750,000	-
	Rozan		272,361	9,472
	NCA-Transforming communities for peaceful co-existence		91,879	-
	Aurat Foundation - GEP		13,282	5,625,885
	British High Commission (BHC) Magnacarta Fund		-	37,935,867
	United Nations Development Programme (UNDP)		-	6,305,342
	Oxfam Novib - Citizens First		-	4,963,680
	Trust for Democratic Education and Accountability (TDEA)		-	1,548,649
	Government of Sindh		-	828,587
	Inter Cooperation-Livelihood Programme (IC)		-	761,925
			278,401,013	411,664,006
	Networks housed in SPO:			
	NHN-Asian Disaster Preparedness Center, Thailand		5,746,635	-
	NHN - Actionaid		5,363,898	1,117,319
	NHN - Tear Fund		3,950,676	8,083,242
	Spate irrigation		3,507,907	3,838,415
	NHN-Strengthening FATA Coordination Mechanism		1,192,756	-
	NHN Membership fee		191,040	6,494
	NHN - CARE		-	3,457,785
	Insani Haqooq Ittehad		-	2,845
			19,952,912	16,506,100
			298,353,925	428,170,106
21	PROGRAMME EXPENSES			
	Salaries and benefits		158,054,696	201,918,330
	Training and development		47,395,523	67,387,023
	Traveling and conveyance		29,943,440	37,741,619
	Vehicle running and maintenance		25,678,159	30,984,359
	Office rent		16,304,741	15,191,381
	Office supplies		8,392,943	8,788,771
	Resource materials and publications		9,475,802	6,800,014
	Maintenance and renovation		5,866,288	4,404,730
	Monitoring, evaluation and reporting		7,800	24,125
			301,119,392	373,240,352

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- 21.1 Provident fund contributions made during the year and included in salaries and benefits, amount to Rs. 8,267,000 (2017: 11,042,010).

22	GRANTS TO COMMUNITY BASED ORGANIZATIONS (CBOs) / OTHERS	Note	2018 -----Rupees-----	2017
	Support Aawaz Forums and CPOs	22.1	12,953,878	30,553,727
	Material supplies	22.2	5,742,748	2,502
	Direct expenses by donors		1,145,984	14,947,859
	Grant/support to government departments		1,020,000	180,000
	Foods items and commodities		5,000	120,263
	National Humanitarian Network (NHN) expenses		-	1,799,939
	Grant/support to Health and Education Monitoring Committees		-	1,450,000
	Network secretarial support		-	599,400
	Grant/support to partner organizations		-	231,365
			<u>20,867,610</u>	<u>49,885,055</u>

- 22.1 This represents direct expenses incurred on the running of Agahi Centers in various regions across Pakistan and administrative support provided to various district forums related to DAI Awaz Programme.

- 22.2 This represents support costs incurred through the provision of various items of furniture and fixtures to government schools in Sindh province.

23	ADMINISTRATIVE EXPENSES	Note	2018 -----Rupees-----	2017
	Office security		8,443,007	9,712,190
	Depreciation	6.1	7,734,580	21,814,778
	Procurement expense		5,929,335	7,092,950
	Utilities		5,070,139	5,355,265
	Telephone and postage		4,488,968	5,219,303
	Legal and professional charges	23.1	2,283,332	841,408
	Training expenses		2,062,508	751,581
	Sales tax		1,962,234	1,959,438
	Repairs and maintenance		1,569,143	657,003
	Auditors' remuneration	23.2	1,077,000	827,000
	Bank charges		344,464	258,675
	Miscellaneous expenses		124,558	86,755
	Other receivables written-off		148,673	171,224
	Amortization	8	4,887	58,839
	Material supplies		-	312,950
			<u>41,242,828</u>	<u>55,119,359</u>

- 23.1 This includes various payments made against retainer ship fees to legal advisors, mutation of properties and surveys conducted for land.

23.2	Auditors' remuneration	Note	2018 -----Rupees-----	2017
	Audit fee of statutory financial statements (SPO and SDE)		745,000	557,000
	Audit fee of statutory consolidated financial statements		70,000	70,000
	Audit fee of other projects		140,000	-
	Out of pocket expenses (SPO and SDE)		122,000	200,000
			<u>1,077,000</u>	<u>827,000</u>

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		2018	2017
		-----Rupees-----	
24	OTHER OPERATING INCOME		
	Income from financial assets		
	Return on savings accounts	4,966,067	6,214,035
	Return on investment in TDR's	1,779,308	6,426,041
		6,745,375	12,640,076
	Income from non-financial assets		
	Gain on sale of fixed assets	2,235,026	461,975
	Exchange gain - net	2,581,614	794,022
	Rental income of SPO building	1,775,585	1,980,000
	Reversal of contribution payable to EOBI	836,140	-
	Miscellaneous income	454,629	591,175
		7,882,994	3,827,172
	Others		
	Liabilities written-back	41,232	380,802
	Realization of revaluation surplus	-	3,333,333
	Income from training units	1,632,527	976,170
		1,673,759	4,690,305
		16,302,128	21,157,553
25	OTHER OPERATING EXPENSE		
	Receivables from subsidiary net - written-off	9,603,722	-
	Loss on investment property	3,663,867	-
		13,267,589	-
26	TAXATION		
	Current	917,520	567,874
26.1	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.		
27	CASH AND CASH EQUIVALENTS		
	Short-term investments	-	1,224,902
	Cash and bank balances	255,891,619	306,533,015
		255,891,619	307,757,917
28	FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES		
28.1	Financial assets and financial liabilities		
i)	Financial assets		
	Receivables		
	Maturity up to 1 year		
	Grant receivable against operating activities	29,843,060	34,339,048
	Advances	29,213	389,432
	Deposits and short-term prepayments	1,799,385	2,672,519
	Interest accrued	28,433	57,486
	Other receivables	20,944,186	10,224,519
	Cash and bank balances	255,891,619	306,533,015
		308,535,896	354,216,019
	Held-to-maturity		
	Short-term investments	-	1,224,902
		308,535,896	355,440,921

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ii) **Financial liabilities**

	Carrying amount	Within 1 year	2 to 5 years	More than 5 years
Accrued and other liabilities 2018	15,089,728	15,089,728	-	-
2017	15,387,161	15,387,161	-	-

28.2 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 analyze 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:

28.3 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.

28.4 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	2018 -----Rupees-----	2017
Grants receivable	17	29,843,060	34,339,048
Advances to employees against salary	9	29,213	389,432
Deposits	10	1,799,385	2,672,519
Interest accrued		28,433	57,486
Other receivables	11	20,944,186	10,224,519
Short-term investments	13	-	1,224,902
Bank balances	14	255,683,624	306,282,591
		<u>308,327,901</u>	<u>355,190,497</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:

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	Long-term rating	Short-term rating	Rating agency	Rupees
Savings account				
United Bank Limited	AAA	A1+	JCR-VIS	1,804,467
Allied Bank Limited	AA+	A1+	PACRA	2,024,494
Habib Bank Limited	AAA	A1+	JCR-VIS	10,608,802
NIB Bank Limited	AA-	A1+	PACRA	7,816
Silk Bank Limited	A-	A-2	JCR-VIS	93,009,978
Standard Chartered Bank Limited	AAA	A1+	PACRA	1,006,766

28.5 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.

	2018	2017
	-----Rupees-----	
Accrued and other liabilities		
Within one year	15,089,728	15,387,161
Between one and five years	-	-
	<u>15,089,728</u>	<u>15,387,161</u>

28.6 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 balances in savings accounts only, amounting to Rs. 108,462,323 (2017: 274,257,509). Applicable interest rates for balances in saving accounts range from 4.55% to 6.2% (2017: 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. 10,609,184 (2017: Rs. 34,591,259) 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, in the prior year would have reduced the surplus for the year ended by Rs. 2,436,817 (30 June 2017: Rs. 3,459,125) and vice versa.

The following significant exchange rates applied during the year:

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	Average rate during the year	Spot rate on balance
<u>2018</u>		
USD	120.755	121.60
EURO	123.185	141.57
<u>2017</u>		
USD	104.73	119.91
EURO	114.15	104.80

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.

28.7 **Fair values of financial assets and liabilities**

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

29 **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

	2018	2017
	-----Number-----	
30 NUMBER OF EMPLOYEES		
Number of employees	139	198
Average number of employees during the year	167	211

31 **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:

	2018	2017
	-----Rupees-----	
TRANSACTIONS WITH A SUBSIDIARY		
Expenditure incurred on behalf of the subsidiary	3,457,714	7,250,967
Services acquired from the subsidiary	1,114,485	5,133,802
Settlement of receivables from the subsidiary - net	7,927,705	3,200,886
TRANSACTIONS WITH EMPLOYEES' PROVIDENT FUND		
Contributions paid to employees' provident fund	21,099,211	29,659,662

32 **RUMENERATION OF CHIEF EXECUTIVE OFFICER, EXECUTIVES AND DIRECTORS**

	Chief Executive Officer		Executives	
	2018	2017	2018	2017
	-----Rupees-----		-----Rupees-----	
Managerial remuneration	4,829,000	5,386,800	28,303,720	81,125,820
Special allowance	148,100	180,000	1,751,420	7,638,600
Bonus		90,720	40,800	1,745,592
Provident fund and others	244,760	538,680	2,852,192	10,098,463
	<u>5,221,860</u>	<u>6,196,200</u>	<u>32,948,132</u>	<u>100,608,475</u>

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	Chief Executive Officer		Executives	
	2018	2017	2018	2017
Number of persons	<u>1</u>	<u>1</u>	<u>15</u>	<u>76</u>
32.1	The Directors of the Company were not paid any managerial remuneration or allowance in the current or prior period.			
33	PROVIDENT FUND TRUST		2018	2017
			Unaudited	Unaudited
Size of the Trust (Rupees)			<u>39,050,605</u>	<u>73,698,546</u>
Cost of investments made (Rupees)			<u>36,218,044</u>	<u>70,146,828</u>
Fair value of investments made (Rupees)			<u>36,346,375</u>	<u>70,668,751</u>
Percentage of investments made (%age)			<u>93.08%</u>	<u>95.89%</u>
	2018	2017	2018	2017
	-----%	-----	-----Rupees-----	-----
Break-up of investments				
With a schedule bank				
In savings accounts	6	5	<u>2,218,045</u>	<u>3,688,059</u>
Term Deposit Certificates	<u>87.40</u>	<u>90.88</u>	<u>34,128,331</u>	<u>66,980,692</u>
	<u>93.08</u>	<u>95.88</u>	<u>36,346,375</u>	<u>70,668,751</u>

33.1 Investments out of the Provident Fund have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the rules formulated for that purpose except for delay in the transfer of contribution relating to the month of August 2017, which has been settled subsequent to the year-end. These figures are un-audited.

34 **GENERAL**

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

35 **DATE OF AUTHORIZATION**

These financial statements were authorized for issue on 30 SEP 2018 by the Board of Directors of the Company.


CHIEF EXECUTIVE


DIRECTOR

About EY

EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

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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 is mainly being on state and citizens' engagement for strengthen democratic values, systems, practices and institutions so as 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.



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