

2004 ANNUAL REPORT 2005



SPO
Strengthening
Participatory
Organization

اداره استحکام شرکتی ترقی

Message from the Chairperson



As SPO is entering its second decade of struggle for achieving a better and more humane living conditions for the deprived and underprivileged population of Pakistan, the world as a whole is moving away from the illusion of international-capitalism towards the ideal of more just and egalitarian socio-political-economic system in the world.

The Annual Report 2004-2005 of SPO in its improved format and vision over the previous years provides us glimpses of change at local level in different areas of Pakistan and gives us a hope that the struggle of people at the local, national and international level is ultimately going to fulfill the dream, or at least, of a just, egalitarian and humane society. A peaceful world where democratic values, caring for the downtrodden people, loving the deprived and devastated sections of population and holding the cause oppressed is the end of all those wrong and related directly and indirectly with SPO. The report of 2004-2005 is a photographic and precise description of the activities, successes and failures in this regard. I wish the success to all those who have contributed to this cause in continuing the journey with all the hurdles and hardships.

Kusumt K.

From the Chief Executive's Desk



In a country where the human rights debate and the social development agenda are sometimes seen as mutually exclusive, SPO brings the two together by bridging the gap between social action and real political change. We have witnessed incapacitated governance processes due to several factors including military-led political dispensations and compromised forms of resistance from those political actors who matter. However, through our work with community institutions including local bodies, we seek to strengthen a Pakistani state, which is modern, proud of its culture and languages, socially progressive and provides its citizens equal economic opportunities.

This report represents the work done during 2004-05 by all in SPO and I must acknowledge the efforts of Iqbal Tawerz, Zafar Zaidan, Afzal Akhbar and Rizgat Hussain in putting it together.

Hamid Chughtai

ABOUT SPO

This report is dedicated to the memory of
Ms. Shahla Zia (1947-2005),
 former Member of the SPO Board of Directors,
 Member SPO General Body, Co-founder of Aurat Foundation,
 arch human rights activist and a formidable intellectual.

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 Annual Report 2004-2005

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During the reporting period, SPO's core programme in Balochistan was supported by Royal Netherlands Embassy (RNE). SPO also acknowledges support from other donors for its thematic programmes and projects.

SPO envisions a society that is democratic, socially just and tolerant. The commitment of those associated with SPO, the volunteer members of its General Body and Board, the staff and the partner organisations, make SPO both serve and represent the oppressed and the downtrodden. Using its unique and tested tools of capacity development of community institutions and fostering knowledge-based civil society networks, SPO has played its role in the struggle to secure the rights of the marginalised. It has contributed to the movement to repeal discriminatory laws against women and religious minorities, hand in hand with other NGOs. SPO's work is not based on rhetoric, rather it capacitates communities through helping them run actual projects and developing their knowledge and skills.

SPO sees itself as a rights-based capacity building organisation that focuses more on social, economic and cultural rights within the framework of human rights while believing in the indivisibility of rights and working closely with those who champion the causes of civil and political rights. With all humility and recognising the limits to its own capacity, SPO helps increase the ability of communities to survive and prosper in a highly competitive and knowledge-based world.

SPO works from its 18 offices across the country to achieve its mission of strengthening and supporting community organizations and public interest institutions of Pakistan for the benefit of poor and disadvantaged sections of society for sustainable development through a participatory approach.

Capacity Building ---

Strengthening grass root institutions for good governance

Strengthening grass root institutions, Community-Based Organisations (CBOs), Women Organisations (WOs) and Local Body Institutions (LBIs) has remained a major programme of SPO since its inception. While the complexity of SPO's work has increased manifold, it has also broadened in scope and scale. Working with more than 1200 Community Based Organizations, 250 Women Organizations and with 150 Local Bodies Institutions, i.e. Union Councils and Community Citizen Boards, SPO's outreach is second to none.

The governmental and non-governmental partners are increasingly seeing SPO as an incomparable capacity building institution. During the reporting period, we facilitated 32 planning and development workshops in four provinces of Pakistan. These workshops included 334 Grass root organizations of CBOs and WOs. We partnered with 19 newly indigenised local organizations to continue our capacity building work. We facilitated and trained 82 union councils and 383 community citizen boards (CCBs) in management of development work, proposal writing, conflict resolution, record keeping, community mobilisation and monitoring. We endorsed newly acquired skills and knowledge with follow-up, monitoring and provided technical assistance for 52 public events involving 6500 participants. These included 14 seminars, 12 dialogues, 8 exposure visits and 18 other meetings.

Capacity Building Process

SPO's capacity building process is systematic, participatory, gender sensitive and jointly developed with community institutions. The process is carried out with CBOs, WOs and focuses on improving organizational functions like governance, operational management, finance, conflict resolution and sustainability.

Products and Tools:

- Development Planning and Management Workshops
- Activity tracking system of partners
- Applying capacity building indicators to establish base lines and measure the capacity of partner organization through Learning Information System
- Training follow-up programme and refresher courses
- Technical Assistance to partners for specialised skills
- Linking partner organisations with government and other institutions
- Conducting training of trainers to create a cadre of Local Resource Persons (LRPs) who ensure the ongoing availability of and access to capacity building resources
- Mobilizing communities for the formation of women organizations, who are then encouraged to play a lead role in society
- Capacity building through supporting exchange and exposure visits of partner organizations
- Promoting gender equity by sensitising male members of the communities



Healing Khanawal:

Efforts to build interfaith and sectarian understanding:

The 1990s saw a high incidence of interfaith and sectarian violence in District Khanawal. Shia-Sunni tensions kept local communities on tenterhooks, especially during Ashura, which is a time of special devotion for Shia Muslims. In 1997, Punjab, which has a tradition of interfaith tolerance, was rocked by the Shanti Nagar incident where primarily Christian village was burnt down by religious extremists and miscreants from a militant organization.

The smouldering aftermath of this incident called for urgent interventions to restore peace. SPO Punjab started working with a cluster of local groups to fight against communalism and sectarianism. Steady efforts helped improve the situation until, in 1999, when the Muslim holy month of Ramadan coincided with Christmas, the Christian community organised an Iftar for the Muslims of the village, and the Muslims reciprocated by joining in Christmas celebrations.

Although Muslim-Christian relations improved through this effort, Khanawal still needed to contend with tensions between Shia and Sunni Muslim communities. Encouraged by the success of its efforts in Shanti Nagar, SPO decided to target Kabirwalaoane of the areas worst affected by Shia-Sunni violence in the district.

In 2001, Farrukh Raza, a young local activist working with an SPO-trained organization, formulated a comprehensive plan to tackle the situation. The plan identified four sections of society to be approached: moderate religious scholars from both Shia and Sunni communities; sportsmen; poets and writers; and elected representatives. Farrukh Raza and a colleague called upon many individuals from these walks of life and shared their ideas with them. They asked poets and authors to voice their concerns and a message of peace in their writings. Religious scholars were requested to give sermons on mutual coexistence and interfaith harmony. Sports and literary events were organized in which members of both communities participated.

With years of hatred and violence to be reversed, this was a difficult task, requiring utmost commitment and patience. After three years of work, however, religious violence and hate crimes started decreasing in Kabirwala, and it seemed that Farrukh Raza's plan was working. In 2004, the district administration agreed to depart from a norm of recent years and not call in the Army to ensure security during Ashura rites. Despite the absence of a high-profile security force, Shia processions went smoothly that day, and no untoward incident was reported from any part of the district. Sectarian violence in Khanawal remains on the decline, indicating that Farrukh Raza's people-centred plan has indeed worked.

From Heer to Mukhtarani: Gender and capacity building efforts

Punjabi and Seraiki folklore and Sufi poetry alike have celebrated the exemplary courage of the woman; the struggle of women to assert their rights in modern times inspires the same empathy, as the legendary figures of Heer, Sohni and Sialbanian. The most recent example is the horrifying story of Mukhtarani Mai, who was sentenced to rape by the panchayat (informal judicial group) of her village as punishment for a perceived offence by her brother. The case she filed after this harrowing experience poses an enormous moral challenge to Pakistani society and raises fundamental questions about the right and access of women to justice. Mukhtarani's case faces tremendous odds. During his military rule over Pakistan (1977-88), General Ziaul Haq imposed discriminatory laws in the country that made it extremely difficult for women to acquire justice against rape and other crimes against women. Laws such as the Hudood Ordinance and the "Dunnice-Shahadat", in particular, have made it practically impossible for women to seek justice from courts of law. In addition to this obstacle, Mukhtarani's case strikes the patriarchal and feudal power structures of Pakistani society at the root. Thus, the court's decision will have a great bearing on the social fabric of Pakistani society. Mukhtarani Mai's struggle makes her a symbol for everyone who wishes to see a socially just society in Pakistan. Had there been another Wazir Shah in these times, another epic would have been written, immortalizing the pain and spirit of this daughter of Pakistan, and placing her in the league of her legendary sisters. SPO has responded in its own way to her need for understanding and help. In the village of Jatoi, where this tragic incident took place, a cluster of women organizations has been established, and SPO is building the capacities of these groups to create a cadre of local people who can stand up for social justice. One of these organizations is Mukhtarani's. Her goal was to set up a school for girls because she felt that the injustice committed against her was rooted in lack of education. SPO supported her organization. Today, Mukhtarani is effectively running a school attended by some 185 girls and boys from the village. A fighter to the core, she has also enrolled herself as a student in Class 4.





Annual Report

2004-2005

Technical Assistance Provided to Local Government

Event	Type of Support	No. of UCs involved	No. of Benef.	Results achieved
CCB Formation	Motivation for CCB formation and registration	109	2350	Awareness about CCB mechanism
CCB Mobilization	Meetings with potential stakeholders	180	3800	Councilors motivated to form CCBs
CCB Registration	CCB registration form provided	75	1450	10 CCBs registered
CCB Funds	Dist. Govt. motivated for funds allocation	5	250	Dist. Govt. allocated Rs. 6 million for CCBs
CCB Cheques Distribution	Technical assistance	11	33 CCBs	33 CCBs received Cheques

Trainings of LBIs

Training Course	Balochistan			Sindh				
	Dist.	Tehsil	UC	CCB	Dist.	Tehsil	UC	CCB
Training 1	1	-	5	32	2	9	77	319
Training 2	-	-	5	32	-	-	-	-
Training 3	-	-	5	-	-	-	-	-
Totals	1		15	64	2	9	77	319

When Ormara's Small Fishermen Tackle the Big Fish

The Tehsil Council of Ormara, one of the four tehsils of District Gwadar, was selected in 2002 to undergo SPO's Capacity Building for Good Governance Programme. Initial meetings revealed that the local people perceived a serious threat to their livelihoods from a diesel smuggling racket being carried out in the area. Bringing diesel from Iran, the smugglers were using the 200-kilometre coast of Ormara as an interim storage point and had established several filling stations there for the purpose. On a normal day, hundreds of ships would arrive from Karachi to collect the diesel. The crude process used to transport the diesel to these ships spilt a lot of oil, heavily polluting the shoreline and seawater. The buyers from Karachi were also fishing in the area, using a type of wire-net that causes extensive unnecessary damage to the environment and the use of which is prohibited by law. Alarmed at the sharp declines in their catches, and worried that the marine ecosystem would be unable to recover from the damage, local fishermen had lodged several complaints through their associations, but the local administration, Pakistan Navy and Coast Guards gave no response. SPO helped the Tehsil and Union Council Nazims and councilors and the representatives of local fishermen associations to unite and develop a joint strategy. A campaign was launched in which letters were written to a number of officials associated with the Fisheries Department and the Office of the Coast Guard, and to government ministers, the Chief Minister of Balochistan, and even the President of Pakistan. When no significant reaction came, the affected people staged a demonstration during which they threatened that the ships that were involved in diesel smuggling or illegal use of wire-nets would be burnt. Their resolve made it clear to the local administration that further delay might result in more serious trouble. Action was finally taken against the illegal diesel filling stations, and they were shut down. As a result, the ships from Karachi also stopped coming to the area.

The Park in Turbat: Public interest agitation from the grass roots

In District Kech, the government of Tehsil Turbat allocated a small plot of land for a children's park. Later, however, the Tehsil Nazim announced that the plot would be auctioned to raise financial resources for the tehsil government. Local people tried, through a community-based organization (CBO) called Tameer Foundation, to convince the government not to auction the plot. When this failed, the CBO elicited the help of other civil society organizations, including the local Press Club and Lawyers' Association. However, the Nazim remained adamant and announced a date for the auction of the property. During this period, Tameer Foundation participated in an advocacy workshop organized by SPO, where its members learnt about different techniques of advocacy, including public interest litigation. Putting its learning into practice, Tameer Foundation acquired support from local lawyers and obtained an injunction against the auction from the court. After the court had heard both parties, it ruled in favour of Tameer Foundation and ordered the Tehsil Nazim to develop the land as a children's park.

Helping to Unblock Power Devolution Channels

Deeply feudal, Kehror Pakka is a remote tehsil of District Lodhran. SPO, in collaboration with the Canadian Devolution Support Programme trained citizen community boards (CCBs) in Punjab including seven from Kehror Pakka. Kehror Pakka's trained CCBs developed project proposals for infrastructure development in their respective areas and submitted them to the Tehsil Council. Right away, their proposals ran into administrative snags. The administration could not allocate funds because it was not sure that the budget estimates were accurate or the proposals reliable. Although the CCBs were not subject to formal checks and balances, the administration feared that issues might be raised during its own audit if it made any inappropriate allocations to CCBs. In fact, this was a concern CCBs were facing across the country. It was rooted in lack of information about the role of CCBs on the part of the local governments and administration, the inadequacy of their capacity to review project proposals; and also on their common perception that CCBs were "non-technical people" and therefore could not be trusted to make the most efficient use of funds. SPO helped them to form a committee in the Tehsil Council. Its responsibility was to support the administration in releasing funds for CCB projects by overseeing budgets and monitoring the approval and implementation of the projects.

In addition, the SPO team at Lodhran, along with CCBs, initiated a dialogue with the tehsil governments on the proposals. The government and elected officials were also oriented to the rules and regulations of the mechanism for CCBs under the Local Government Ordinance, 2001 (LGO), and persuaded to assist CCBs at the earliest. After these meetings, Kehror Pakka's Tehsil Naib Nazim called a meeting in January 2005. After a healthy debate, 10 projects, proposed by as many CCBs, with a total value of more than one billion rupees, were approved. Of the 10 CCBs, 7 had been trained by SPO and technically assisted in project development and submission. Change is in the air in Kehror Pakka, with CCBs running successful projects and contributing to the development of their areas.

Agents of Change in Khairpur: Strengthening CCBs

SPO and DTCE joined hands to support and strengthen citizen community boards to ensure effective service delivery and improved quality of life for citizens in District Khairpur. Initially a workshop was organized at district level. To activate Union Councils, SPO teams met with them in far-flung villages and motivated them to attend the district workshop. In response, more than 70 Nazims (from a total of 76) and 1,800 councilors attended the event. As a result of the workshop, all 76 Union Councils (UCs) of the district signed a Memorandum of Understanding to facilitate the formation of citizen community boards (CCBs) in their areas. SPO trained the UCs in techniques to mobilise CCBs and, after CCBs were successfully mobilised, trained these boards in project proposal writing. SPO's intervention increased the number of CCBs in Khairpur from 243 to 800.

Improving Livelihoods --

Social Sector Funding

SPO's social sector funding is a means of providing financial resources to grass root institutions but the inherent logic is building the capacity of the communities to run development projects and better understand projects based on public spending by the government. That is why SPO emphasizes projects that combine technical assistance and human resource development with other project inputs. During the reporting period, SPO assisted 35 CBOs and 15 WOs in the development of social sector projects. SPO's Choti Funding (small funding) programme, embedded in the DPM training programme, helps vulnerable groups, through CBOs and WOs, in operating their own small income generation activities and acquire relevant skills.

It particularly empowers women to become more active in their communities and family decision-making. SPO also supports skills training as well as information dissemination to promote economic empowerment of communities. Creating linkages of partner organizations with other resource institutions is a vital part of SPO's capacity building strategy. SPO developed new funding linkages and sources of finance for 19 partner organisations.



Project developed and implemented by partners during 2004-05

Sector	Location	Funds	Beneficiaries	CBO	WO
Health	Sindh-Punjab & NWFP	Rs. 11495593	170586	18	9
Education	Sindh-Bal. Punjab & NWFP	Rs. 3709700	16208	10	1
Agriculture	Balochistan. & NWFP	Rs. 557700	1402	1	2
Goat Rearing	Balochistan	Rs. 908000	618	4	2
Sanitation	Balochistan	Rs. 947556	1608	2	1
TOTAL		Rs. 17618549	190440	35	15

Through Social Sector Funding

SPO helps grass root organisations learn skills of project management, monitoring and accounting. The funding is awarded in small grants of short duration for specific activities while grantees receive additional institutional training and exposure to strengthen project management capacity.

Product and Tools:

- ♦ SPO's project policy and grant management procedure
- ♦ Project proposal format and agreement
- ♦ Participatory monitoring and evaluation formats and procedure
- ♦ Measuring capacity of partner organisations by establishing bench marks
- ♦ Online project data entry in Learning Information System
- ♦ Inter-organizational knowledge sharing and learning through exposure visits and conducting discussion forums.

FUNDING AREAS

- ♦ Health
- ♦ Basic education management
- ♦ Environment/Water & Sanitation
- ♦ Rights and Awareness Raising
- ♦ Livelihoods/Agriculture & Livestock

Water and Well-being come to Kunri

In many rural parts of Pakistan, the sight of women fetching water from distant locations is common. Images of women with earthen pitchers on their heads have been sketched, painted, filmed and sung about by many a romantic artist, but the reality is far from rosy. Until recently, in the village of Kunri in District Mirpurkhas, there was no safe supply of potable water. Most villagers, who are very poor, drank unsafe water from open ponds, wells, tube wells and natural streams. Additional water needed to be fetched from a single handpump located a 20-minute walk away. As Lachmi, a local woman explains, this was no easy task. The women needed to stand in long lines before they could fill their heavy loads and begin the arduous journey home. The weight of the pitcher on her head caused Lachmi to lose her hair. With water in such limited supply, hygiene levels were also low. Negligible access to clean drinking water and sanitation meant that the village suffered from a high incidence of water borne and other diseases. Since Kunri has no health facilities whatsoever, fever, cough and diarrhoea were chronic complaints among young and old alike. Against this backdrop, the Rural Women Development Organization a partner organization of SPO in Kunri developed and implemented a handpump installation project. Working with the local community, the women installed 12 handpumps in the village. Supply sources were created with the active participation and contribution of the local people, and maintenance responsibilities are also shared between the organization and community members. Lachmi, other women in the area and the community at large are very pleased with the change this small project has brought about in their lives. Trust in the women's organization has risen, and its ability to help make life safer and more dignified is appreciated. The community in general and local women in particular are responsibly maintaining the project.



Choti Funding Provided by SPO to Its partners

Sector	Location	Funds	CBO	WO
Livestock	Punjab & NWFP	Rs. 30000	2	1
Income Generation	Balochistan. Punjab & NWFP	Rs. 80000	5	1
Education	Balochistan. & Punjab	Rs. 160000	12	-
Micro Credit	NWFP	Rs. 50000	-	5
Computer Centers	NWFP	Rs. 20000	2	-
Water supply	NWFP	Rs. 10000	1	-
TOTAL		Rs. 350000	22	7



Drop by Little Drop: Helping rural women to contribute to livelihood improvement

Lying on the border of Punjab, Dera Ismail Khan is among the most neglected and backward districts of NWFP. This is amply clear in Kot Musa, a village in the Chodwan Zam area of the district, where rainwater is the only source of irrigation. A very popular personality in the village is Janat Bibi. Since her husband is unable to work, she has been running a shop in the village for the past five years. She travels to the city of Dera Ismail Khan to purchase goods for her shop. Enterprising by nature, she was very supportive when an SPO team visited her village to engage the local women in 'participatory technology development' a process to help villagers to identify and implement small measures to improve their livelihoods. During the meetings, the women prioritised livestock disease, crop management issues, and grain storage problems as key issues to be addressed. After further discussion with different people, the problem of fodder shortage was identified as the most important one: goats were dying from hunger after every harvest season in April-June. Janat Bibi showed an interest in sowing plants that could be used as fodder in the dry season. With technical guidance from SPO's team, she is tending nine plants of zegaphia jayoba, three of guava, two of shesham and three of ipile in her home. Since water is a very limited resource, Janat Bibi, along with the other village women, has been trained by SPO to use the pitcher technique for watering plants. In this method, an earthen pitcher with a few holes pierced in it is half buried in the soil near the roots of plants. When the pitcher is filled, water slowly seeps out of the holes in response to the pull from plant roots. Loss of water to percolation and evaporation is very low, and therefore a single pitcher can supply adequate water for plants for a week. Janat Bibi is using this and various other techniques to increase the resources available to her family and, by sharing her experiments with the other villagers, has become a symbol of the role rural women can play in tackling livelihood problems.



Small is Beautiful: Big returns from SPO's Choti Funding Programme

In the early 1980s, a large number of Afghan refugees fled their war-torn country to NWFP. One of the negative impacts of their migration was a widespread increase in the use of drugs and illegal weapons in the province, especially among the youth. The village of Gulmeria in District Mardan was no exception. As more and more teenagers turned to drugs, local parents and teachers despaired of protecting their children from the menace.

Gulmeria Welfare and Development Organization (GWDO), which had been working in Mardan since 1999, had been watching this problem with growing concern but lacked the resources and capacity to respond. This changed in 2004 when three members of the organization, who were nearing the end of their Development Planning and Management (DPM) training with SPO, were asked to submit a proposal, worth no more than Rs. 10,000, as part of their practical project implementation training. (Funds for such projects are allocated through SPO's Choti (Small) Funding Programme.) The Executive Body of GWDO seized the opportunity to propose an 'Awareness and Sports Centre (AAS)' for local youth to divert their attention towards positive pursuits.

The proposal was approved and AAS was established in three months. The Centre now supports intellectual and other leisure activities of local youth. It has two sections: a library, which has three hundred books, and facilities for playing cricket, badminton, table tennis, and indoor games. It has a membership of more than 50 young people at present. The organisation is satisfied that this small initiative is having a positive effect on the entire community.



Civil Society ---

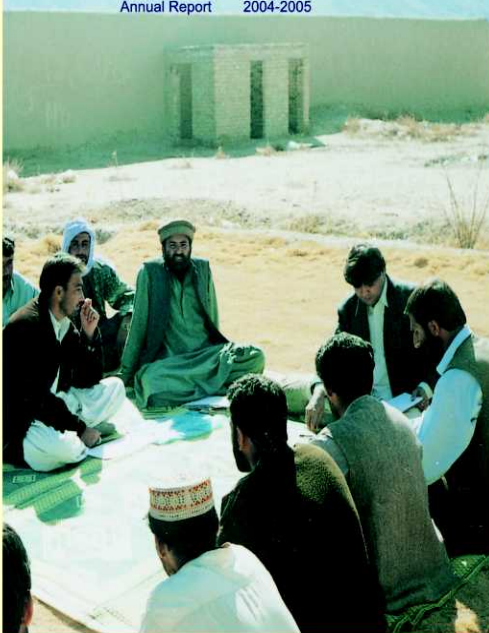
Strengthening networks

A key characteristic of SPO's capacity building approach focuses on supporting the growth of networks that bring together grass root organisations to lobby and advocate for the shared needs and universal rights of the communities they represent. The networks are initiated by those community organisations that have attended the comprehensive training programme of SPO.

During the reporting period, we were able to expand our partnership with 8 new civil society networks. These new networks under went strategic development workshops, in order to determine their themes for local advocacy. The representatives of 146 member organizations belonging to the 8 networks attended the workshops. The other for network development and campaigning was provided to 119 member organizations involving 150 participants.

For collective action, civil society networks are increasing their capacity to advocate and voice their concerns in national and political decisions. With small financial and technical assistance from SPO, CSNs are running campaigns and representing the interest of the local communities. SPO provided training and technical assistance to 36 civil society networks for advocacy events.

Following the intensive strategy development exercise conducted with all CSNs by SPO's regional teams, a national level workshop was held. The process aided an understanding of crucial issues faced by the civil society and of those that needed to be addressed through bringing about policy changes. The workshop also provided a platform for critical



and collective sharing of experiences. A distinctive feature of the workshop was the formulation of organizational policies on civil society networks supported by SPO with the involvement of community partners themselves.

By the end of June 2005, there are 36 networks that undertake advocacy interventions in different areas, with a perspective of citizen's participation in governance and integrating the rights of the

Theme	Networks
Environment	6
Education	8
Health	10
Law and Justice	4
Poverty Eradication	8

Tools and Products:

- Providing training in advocacy techniques, including issue identification, research, network building, media relations, conducting policy dialogue and campaigning
- Building advocacy strategy through workshops
- Supporting media campaigns
- Providing training and technical assistance for events and dialogues that generate awareness on social issues

Peace from the Mosques:

Revising the Legacy of Baacha Khan

The Social Welfare District Coordination Council (SWDCC) is a network of civil society organizations that was fostered by SPO in DistrictCharsadda. It has a membership of 102 local organizations and is working for the promotion of "Peace and Tolerance", a cause that was espoused by a most remarkable son of this land, Baacha Khan and his followers, the "Khudai Khidmatgars". To put an end to feuds, feuds and sectarian tensions in its area, SWDCC decided to organize awareness-raising seminars on various topics and with different segments of society. The process began in 2002. Some of the themes on which seminars were organised included the role of social workers in promotion of peace and tolerance; peace and human rights; and the role of elected representatives in promotion of peace and tolerance. After conducting these seminars, SWDCC took the initiative of involving religious figures (scholars) as well as imams (prayer leaders) in the promotion of peace and tolerance. This was a very difficult task because the religious groups in the area in particular and in the province in general are against non-governmental organizations (NGOs) and accuse them of promoting American and Jewish agendas. However, SWDCC members worked in an organized and well-planned manner, and succeeded in organizing a seminar on the role of *Ulema* in the promotion of peace and tolerance in June 2005. The seminar was attended by more than 130 religious scholars, imams, and teachers and students of madrasahs (religious schools). Member of the National Assembly Maulana Mohammad Gohar Shah also addressed the gathering. Speakers at the seminar appreciated the initiative taken by SWDCC and said that it was for the first time that a civil society organization had contacted the religious groups, madrasahs and their students and involved them in its activities. They said that efforts of this nature would reduce the gap and mistrust between religious circles and NGOs, and that promotion of peace and tolerance in the society is the collective responsibility of every citizen. The religious scholars assured every possible help and support to SWDCC in its cause.

Friends, Not Fishermen: The successful campaign of Badin's small fishermen

For centuries, fishing has been the principal livelihood for the coastal communities in District Badin. In 1999, the Government of Sindh reached a contract with national defence agencies to give them complete fishing rights in the waters off the Arabian Sea. This handover was justified by the argument that the waters needed to be protected from possible foreign intrusion, and local fish would provide food for the soldiers posted in the area. Once the waters had been allotted to them, however, the defence agencies started fishing on a commercial scale, profiting at the expense of the livelihoods of local fishing communities. The people's response to this infringement on local livelihoods was led by DAMIN Badin, a local organization representing fishermen. A partner in SPO's Civil Society Networks Programme, DAMIN Badin launched an

CSN Training Events			
Training	No of Training	No of Participants	No of Pos Involved
Research	2	47	17
Advocacy	3	81	45
Strategic Development & Planning	2	22	57
Total	7	150	119

Number of CSNs formed during 2004-2005					
Geographic Location	# of CSNs	Member Organizations			Thematic Areas
		CBOs	WOs	Total	
Balochistan	5	83	4	87	Health, Education, Water, Human Rights
NWFP	1	19	0	19	Education
Punjab	1	28	4	32	Education
Sindh	1	7	1	8	Health
Total	8	137	9	146	

organized advocacy campaign in support of local communities. Seminars and discussions were arranged on the issue, it was highlighted in the media, and protest rallies by the affected people were staged before the local press club and district government offices. A number of delegations were sent to local elected representatives, Parliamentarians and the provincial government for briefing on the issue. Through these efforts, the issue moved from the local domain to the provincial and national, and received wide coverage in the electronic and print media. Fact-finding missions were sent by many channels, and it was found that the defence agency had gradually occupied waters beyond the jurisdiction and permission given by the Sindh Government. DAMIN's continued struggle resulted in immense pressure on the Sindh Government from the general public, media, elected representatives, Parliamentarians and NGOs. The provincial government finally yielded to the people's demand, cancelling the fishing contract of the defence agencies and recognising the local communities' right to fish from the waters.

Institutional Development of SPO

Strong Institutions build Strong Communities

A major strategic staff capacity assessment exercise in conjunction with the review of SPO administrative policy and practices engaged SPO's Board and staff in the head office and regions. The intensive and interactive process engaged substantial time and efforts of SPO team. As an outcome of the process two major results were achieved. Firstly, various functions and policies related to human resource and administration were streamlined. Secondly, swapping of roles and transfers of staff members on positions that would suit the institution's changing needs was planned, which has to be executed from July 2005.

Staff development continued to be a focus of SPO's strategy to develop further as an institution nurturing human resource to serve community interests.

Dissemination of information and sharing of knowledge remains the primary role of SPO's communication section. The communication section facilitates the flow of information internally and externally, between staff and offices across Pakistan, with the other partner and sister organizations, government departments, NGOs, media and concerned citizens across Pakistan.

During the reporting period, communication section in many cases led and in others provided support for publication of newsletters, documentation of special meetings and events, editing, designing, printing and translation. SPO's website was regularly updated and improved to provide more information to the visitors.



Capacity building is the crux of SPO's activities. The essential part of its capacity building strategy is to forge partnerships, not only to build common vision but also to augment civil society's resources and sphere of influence. SPO continued to identify new partnerships and sustained the existing ones. A summary of these is given in the table.

S.#	Publication Title	Type	Theme	Quantity	Language
1	Shirkati Taraqqee (quarterly)	News letter	General	6000	Urdu
2	Progress Report 2003-2004	Report	General	1000	English
3	Understanding Pakistan	Report	General	1000	English
4	PNF Khabarnama (quarterly)	News letter	General	2000	Urdu
5	Jub Tum Nay Pehla Saans Liya (Poem)	Booklet	Gender	200	Urdu
6	Website	Website	General		Urdu/English

Products and Tools

- Annual General Meeting of SPO General Body and periodic meetings of the Board of Directors
- Periodic management committee meetings and biannual programme review meetings
- Individual and collective human resource development events
- Exposure visits of staff
- Conduct staff appraisals
- Upgrade MIS and IT infrastructure to increase efficiency of management system
- Conduct and facilitate internal/external audit of SPO finance, human resource and general administration
- Preparation of work plans and budgets
- Establish linkages with donors and government departments
- Develop joint projects with government at all levels
- Organize provincial/national dialogues on development issues

Partnership	Nature of partnership	Interventions
National Productive Organization (NPO)	NPO provides training and technical assistance to improve productivity at village level. SPO provides the infrastructure to NPO initiatives.	The scale of intervention will cover 100 villages of Pakistan. The vision is to create model productivity villages besides getting people trained in productivity enhancement skills.
Aga Khan Foundation (AKF)	AKF provides financial support for the management of Pakistan NGO Forum secretariat while SPO maintains the PNF secretariat.	In order to undertake research and advocacy campaigns at local and national level besides institutional development of PNF as a network.
Pakistan Poverty Alleviation Fund (PPAF)	PPAF supports SPO's social sector funding through its CPI programme. SPO mobilised the communities for the project.	34 CPI projects in Shikarpur and Ghotki districts of Sindh addressing the physical infrastructure needs of the select communities.
Public Community Partnership Education Sector Reform & Assistance (ESRA)	ESRA provides financial support for strengthening public community partnership for quality schools. SPO implements the programme in Balochistan.	The scale of intervention covers mobilising and strengthening 464 School Management Committees in districts Chaghi and Noshki.
Devolution Trust for Community Empowerment (DTCE)	Partnership aims at mobilizing communities for the formation of community citizen boards (CCBs) and build their capacity.	Intervention covers formation of 129 CCBs in 21 Union Councils of district Lasbela, Balochistan and 340 CCBs in 76 UCs of Khairpur, Sindh.
Swiss Development Corporation	The partnership aims at the implementation of a joint project namely, The Project for Livelihood Options (PLI) and the Non Formal Education Programme (NFEF).	The scope of the project includes working with participatory development technologies with interest groups, competence building in Natural Resource Management (NRM), addressing the water scarcity issue, focus on market oriented production and value chain promotion, establishment of NFE schools, delivery of quality education through provision of trainings, follow-ups, monitoring and formulation of REFLECT circles for adult learning.
ActionAid Pakistan	Two partnership plans were signed with ActionAid Pakistan, one for the strengthening of Kohsar Development Alliance (KDA) and the second to capacitate the fisher folk of the coastal belt of Gwadar and Lasbela districts.	The KDA strengthening partnership focuses on the strengthening the KDA network of 19 CBOs of Pisdar, Kech district, Balochistan, to undertake the development initiatives. The second project aims at organizing and mobilizing the communities of Gwadar and Lasbela around the threats to livelihoods as a result of the mega projects and illegal trafficking of oil through sea.
CIDA Devolution Support Programme	SPO collaborates with Cowater International for strengthening local bodies institutions.	This is designed for two districts of Punjab, namely Lodhran and Kasur. SPO will train CCBs, facilitate the formation of Local Govt Associations, create public awareness and train of councillors in the select districts.

Financial Statements

Freshman Sea Firms & Co. (Company Website)

AUDITOR REPORT TO THE MEMBERS

We have audited the annual balance sheet of Strengthening Participatory Organisation (the Company) as at June 30, 2004 and the related income and expenditure account, cash flow statement and statement of changes in equity together with the notes forming and based on the year ended and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

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

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit involves exercising, on a test basis, ordinary scepticism throughout the audit and the exercise of professional judgement. Our audit also includes keeping the accounts together and significant balances under management as well as evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, other than modification, we report that:

1. Our opinion on the balance sheet of account has been kept by the Company as required by the Companies Ordinance, 1984.
2. In our opinion:
 1. the balance sheet and income and expenditure account together with the notes thereon have been drawn up in conformity with the approved accounting standards, 1984 and in agreement with the books of account and are further in accordance with accounting practices consistently observed;
 2. the expenditures incurred during the year was for the purposes of the Company's business; and
 3. the balance sheet, income and expenditure account and the expenditure incurred during the year were in accordance with the objects of the Company;
3. In our opinion and to the best of our information and according to the explanations given to us, the balance sheet and income and expenditure account show a true and correct view and statement of changes in equity. Together with the notes forming and based on the year ended and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit and the exercise of professional judgement.
4. In our opinion, no amount was deductible of income under the Zakat and Usher Ordinance, 1980 (2010) of 1983.

The financial statements of the Company for the year ended June 30, 2004 were audited by another firm of Chartered Accountants who had expressed an unqualified opinion on their audit report.

Signature: [Handwritten signature]

Date: 11 OCT 2005

STRENGTHENING PARTICIPATORY ORGANIZATION BALANCE SHEET AS AT JUNE 30, 2006

	2006	2005
	Pakistani Rupees	Pakistani Rupees
Fixed assets: Goodwill	3,094,101	2,037,347
Investment in Freshman Sea Consulting Board Organisation, Islamabad	4	12,023,174
Investment	4,917,284	2,068,561
	8,011,385	4,108,082
Current assets:		
Government of Islamabad Finance Company	-	885,330
Bank Deposits	-	3,052,257
Advances, Securities, prepayments and other receivables	7	2,934,044
Other non-current liabilities	4	56,036,391
Cash and bank balances	4	40,256,370
Current liabilities:		
Government of Islamabad Finance Company	1	80,084,982
Government of Islamabad Finance Company	1	18,167,249
Current liabilities	2	98,252,231
Net current assets	6	15,744,149
Total Assets	14	23,755,534
Total Liabilities	14	23,755,534
Reserves	14	18,511,385
Retained Earnings	14	2,934,044
Current reserves	14	15,577,341
	40,256,370	42,108,082

Authorised representative:
The enclosed annex 1 to 15 form an integral part of these financial statements.
[Handwritten signature] Chief Executive
[Handwritten signature] Chairman

STRENGTHENING PARTICIPATORY ORGANIZATION STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2005

	Unrestricted funds	Restricted funds	Capital reserves	Total
	Pakistani Rupees	Pakistani Rupees	Pakistani Rupees	Pakistani Rupees
Balance at June 30, 2003	14,185,202	22,912,442	6,964,000	44,061,704
Amount refunded to donors	-	(882,678)	-	(882,678)
Inter transfer at year end	4,396,960	(4,396,960)	-	-
Net movement in deferred grant	-	-	-	777,159
Operational surplus for the year	10,804,732	-	-	10,804,732
Balance at June 30, 2004	29,376,952	17,832,804	6,964,000	54,173,757
Amount refunded to donors	-	(282,143)	-	(282,143)
Inter transfer at year end	(18,411,583)	10,811,052	-	-
Net movement in deferred grant	-	-	-	(7,892,382)
Operational deficit for the year	(4,804,387)	-	-	(4,804,387)
Balance at June 30, 2005	7,261,242	24,262,313	6,964,000	42,137,555

The amount shown in 1 to 15 form an integral part of these financial statements.
[Handwritten signature] Chief Executive
[Handwritten signature] Chairman

STRENGTHENING PARTICIPATORY ORGANIZATION INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED JUNE 30, 2006

	2006	2005
	Pakistani Rupees	Pakistani Rupees
Revenue	11,582,148	101,874
Expenditure:		
Programme activities:		
14	85,453,702	110,826,280
14	30,488,819	28,828,211
14	117,225,231	142,582,302
Administrative activities:		
16	86,881,572	11,826,107
16	129,283,808	162,800,207
Unrealised gain on revaluation of investment for value	1,582,148	2,207,911
Operational surplus (deficit) for the year	(1,424,526)	(19,884,722)

The amount shown in 1 to 16 form an integral part of these financial statements.

Signature: [Handwritten signature] Chief Executive
[Handwritten signature] Chairman

STRENGTHENING PARTICIPATORY ORGANIZATION CASH FLOW STATEMENT FOR THE YEAR ENDED JUNE 30, 2006

	2006	2005
	Pakistani Rupees	Pakistani Rupees
Cash from financing activities:		
10	49,268,361	52,868,732
Adjusted for:		
11	4,395,400	3,288,267
12	(6,002,215)	(110,441)
13	(18,048,161)	(2,207,275)
14	(18,983,761)	(1,946,108)
Operating (deficit)/surplus before working capital changes	(15,060,376)	21,517,711
Operating (deficit)/surplus in working capital changes:		
15	4,913,347	(2,940,250)
16	8,005,105	(87,806)
17	8,005,105	(1,104,662)
Net Cash from financing activities	11,113,292	6,168,286
Net Cash from investing activities:		
Capital expenditure	(18,899,008)	(3,684,096)
Net cash used in investing activities	(17,885,716)	(3,684,096)
Net Cash from financing activities:		
Government of Islamabad Finance Company	(2,818,170)	(26,290)
Government of Islamabad Finance Company	(262,193)	(87,806)
Government of Islamabad Finance Company	(95,424)	(128,249)
Net Cash from financing activities:	(3,175,787)	(134,345)
Net increase/(decrease) in cash and cash equivalents	(5,338,206)	2,764,168
Cash and cash equivalents at the beginning of the year	39,632,171	22,711,311
Cash and cash equivalents at the end of the year	34,293,965	25,475,479
Cash and cash equivalents comprise the following balances sheet items:		
Cash in hand	29,178	97,088
Cash at bank	4,585,589	25,475,479
Cash on hand	(39,167,800)	(25,475,479)
	5,126,367	5,126,367

The amount shown in 1 to 18 form an integral part of these financial statements.
Signature: [Handwritten signature] Chief Executive
[Handwritten signature] Chairman

STRENGTHENING PARTICIPATORY ORGANIZATION NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2006

1. STATUS AND ACTIVITIES

Strengthening Participatory Organization (the Company) was incorporated on January 19, 1984 under section 42 of Companies Ordinance, 1984 as a company limited by guarantee (which is referred to as "Company" in the financial statements) for the promotion and advancement of the welfare of the people of Islamabad. The Company's objective is to provide training and capacity building to the Government of Islamabad, Punjab and Government of Sindh. The Company also provides training and capacity building to the Government of Punjab and Government of Sindh. The Company also provides training and capacity building to the Government of Punjab and Government of Sindh. The Company also provides training and capacity building to the Government of Punjab and Government of Sindh.
2. BASIS OF PREPARATION

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan and the requirements of the Companies Ordinance, 1984. Approved accounting standards comprise of such financial Accounting Standards as notified under the provisions of the Companies Ordinance, 1984. Wherever there is a conflict between the accounting standards and the requirements of the Companies Ordinance, 1984, the requirements of the Companies Ordinance, 1984 have been followed. The accounting standards are prepared in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).
3. PRINCIPAL ACCOUNTING POLICIES

3.1. Accounting recognition

These financial statements have been prepared under the historical cost convention, except for investment which is stated at market value.
- 3.2. Fixed assets

Fixed Assets are stated at cost less accumulated depreciation. Depreciation is charged using reducing balance method to the cost of fixed assets over their useful lives.
- 3.3. Financial Instruments

Financial Instruments are charged to the year of acquisition and are revaluated at the year end of the year.
- 3.4. Revenue Recognition

Revenue is recognized when it is probable that the revenue will flow to the company and the revenue can be measured reliably.
- 3.5. Provisions

A provision is recognized when the company has a present obligation (legal or constructive) as a result of a past event and it is probable that the company will be required to settle the obligation. A provision is measured at the best estimate of the amount of the settlement that the company will be required to settle. A provision is recognized when the company has a present obligation (legal or constructive) as a result of a past event and it is probable that the company will be required to settle the obligation.
- 3.6. Financial Instruments

Financial Instruments are recognized when the Company becomes party to an agreement which creates or evidences a financial asset or liability that is enforceable contractually. These assets and liabilities are initially recognized at fair value. Subsequent to their recognition at fair value, these assets and liabilities are measured at amortized cost, fair value or cost.
- 3.7. Deferred Grants

Grants for expenditure of fixed assets are recognized as income as a debit item from the year of cash flow of the fixed assets.

FIXED ASSETS

PARTICULARS	COST			Rate	DEPRECIATION			W. D. V.
	as at	additions	as at		as at	for	as at	as at
	July 1, 2004	during the year	June 30, 2005		July 1, 2004	the year	June 30, 2005	June 30, 2005
	Rupees				Rupees			Rupees
Building on freehold land (Note 4.1)	3,407,636	-	3,407,636	5%	925,161	1,032,247	2,375,369	
Electrical appliances and equipment	6,488,357	3,024,163	9,512,520	15%	2,576,551	3,474,259	6,038,261	
Vehicles	16,972,811	7,885,247	24,858,058	15%	7,242,222	9,484,727	15,173,331	
Computer equipment	8,348,287	1,408,153	9,754,440	20%	4,122,399	5,053,718	4,700,722	
Furniture and fixtures	2,800,081	783,446	3,583,527	15%	853,297	355,782	2,374,448	
	2005	38,017,172	12,899,009	50,916,181	15,719,630	4,534,400	30,662,151	
	2004	34,913,168	3,654,004 (550,000)	38,017,172	12,908,280	3,208,897 (397,547)	22,297,542	

1 Turbat building is constructed on land allotted to the Company by the Government of Balochistan for establishment of training and technical assistance centre subject to the condition that the land will not be utilized for any other purpose except for which it has been allocated.

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1 RECEIVABLE FROM COMMUNITY-BASED ORGANIZATIONS (CBOs) - UNCLASSIFIED / UNCONFIRMED DEBIT

2005	2004
Rs.000	Rs.000
Balance	1,004,174
Less: Amount payable to community-based organizations	(1,004,174)
	<u>1,004,174</u>

2 RECEIVABLE FROM GOVERNMENT

2005	2004
Rs.000	Rs.000
Balance	3,400,511
Less: Amount payable to government	(3,400,511)
	<u>3,400,511</u>

3 FINANCIAL ASSETS AT FAIR VALUE

2005	2004
Rs.000	Rs.000
Balance	1,000,000
Less: Amount payable to government	(1,000,000)
	<u>1,000,000</u>

4 RECEIVABLE FROM GOVERNMENT - UNCLASSIFIED / UNCONFIRMED DEBIT

2005	2004
Rs.000	Rs.000
Balance	1,000,000
Less: Amount payable to government	(1,000,000)
	<u>1,000,000</u>

5 RECEIVABLE FROM GOVERNMENT - UNCLASSIFIED / UNCONFIRMED DEBIT

2005	2004
Rs.000	Rs.000
Balance	1,000,000
Less: Amount payable to government	(1,000,000)
	<u>1,000,000</u>

6 RECEIVABLE FROM GOVERNMENT - UNCLASSIFIED / UNCONFIRMED DEBIT

2005	2004
Rs.000	Rs.000
Balance	1,000,000
Less: Amount payable to government	(1,000,000)
	<u>1,000,000</u>

7 RECEIVABLE FROM GOVERNMENT - UNCLASSIFIED / UNCONFIRMED DEBIT

2005	2004
Rs.000	Rs.000
Balance	1,000,000
Less: Amount payable to government	(1,000,000)
	<u>1,000,000</u>

8 RECEIVABLE FROM GOVERNMENT - UNCLASSIFIED / UNCONFIRMED DEBIT

2005	2004
Rs.000	Rs.000
Balance	1,000,000
Less: Amount payable to government	(1,000,000)
	<u>1,000,000</u>

10 DEFERRED GRANTS

2005	2004
Rs.000	Rs.000
Balance at the beginning of the year	10,301,811
Less: Amount received during the year	(10,301,811)
	<u>10,301,811</u>

11 INCOME

2005	2004
Rs.000	Rs.000
Income from operations	10,301,811
Other income	(10,301,811)
	<u>10,301,811</u>

12 GRANTS RECEIVED

2005	2004
Rs.000	Rs.000
Balance	1,000,000
Less: Amount payable to government	(1,000,000)
	<u>1,000,000</u>

13 GRANTS RECEIVED

2005	2004
Rs.000	Rs.000
Balance	1,000,000
Less: Amount payable to government	(1,000,000)
	<u>1,000,000</u>

14 GRANTS RECEIVED

2005	2004
Rs.000	Rs.000
Balance	1,000,000
Less: Amount payable to government	(1,000,000)
	<u>1,000,000</u>

15 GRANTS RECEIVED

2005	2004
Rs.000	Rs.000
Balance	1,000,000
Less: Amount payable to government	(1,000,000)
	<u>1,000,000</u>

16 GRANTS RECEIVED

2005	2004
Rs.000	Rs.000
Balance	1,000,000
Less: Amount payable to government	(1,000,000)
	<u>1,000,000</u>

17 GRANTS RECEIVED

2005	2004
Rs.000	Rs.000
Balance	1,000,000
Less: Amount payable to government	(1,000,000)
	<u>1,000,000</u>

12 PROGRAMME EXPENSES

Note	2005	2004
	Rupees	Rupees
Salaries and benefits	49,328,307	35,652,239
Traveling and conveyance	12,321,950	7,582,815
Vehicle running and maintenance	6,071,508	3,444,660
Office rent	2,049,817	1,189,125
Office supplies	2,201,338	1,280,142
Recreation materials and publications	745,053	4,538,069
Training and development	11,894,973	40,504,530
Monitoring, evaluation and reporting	3,275,652	16,500,409
Maintenance and renovation	1,436,486	2,789,275
	<u>93,425,702</u>	<u>110,539,265</u>

12.1 Includes Rs. 2,337,863 (2004: Rs. 2,394,361) on account of aggregate remuneration of the Chief Executive and Rs. 3,928,187 (2004: Rs. 2,878,612) related to staff retirement benefits.

13 ADMINISTRATIVE EXPENSES

Note	2005	2004
	Rupees	Rupees
Staff allowances	2,656,003	2,622,214
Traveling and conveyance	620,768	189,593
Telephone and postage	3,221,802	2,629,148
Vehicle running and maintenance	2,011,455	1,443,399
Office rent	876,450	676,450
Utilities	1,726,730	1,534,697
Maintenance and renovation	5,875	1,034,271
Office supplies	1,444,483	2,123,610
Office Securities	844,194	656,365
Legal and professional charges	172,285	491,996
Depreciation	4,626,420	3,208,897
Audit fee	84,897	80,000
Publicity and promotion	1,795,778	680,865
Miscellaneous expenses	650,282	166,962
	<u>20,681,373</u>	<u>17,689,797</u>

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14. RECONCILIATION AND ANALYSIS OF FUNDS

	UNRESTRICTED FUNDS					RESTRICTED FUNDS																				2008	2009						
	SPS Receipts	SPS Txn	Yrly	VEHICLE REPLACEMENT FUND	TOTAL	EC	DDA	EST 2012CN	ESRA	PAF	Chk	Relief Project EC (A)	CS&S	S&CF	ESP	DTCE	TAF	Adm Bn	AA	SN&P	SPD	ESC	Taxwa	W&H Fund	TYS			GEF	ESP	SC-GS	ESP	TOTAL	
Opening balance	8,614,329	8,202,678	18,738,000	14,375,448	32,254,253	871,334	(3,452,863)	(722,545)	1,362,236	-	14,832	12,318	3474,426	20,313	123,448	-	1,811,266	-	(229,226)	(42,847)	(52,182)	854,381	369,265	18,134	1,242,874	(2,118,615)	-	878,916	18,784,289	17,522,654	48,288,837	37,207,044	
Revenue	6,036,394	7,158,427	13,836,281	44,953	12,281,341	21,322,037	-	36,837,447	7,872,021	2,706,200	-	6,792,432	(8,000)	4,023,047	-	20,268	-	348,915	-	6,772,807	13,818,506	891,106	1,933,542	983,318	2,815,218	-	17,531,618	445,762,387	167,783,962	-	-	-	
Less: Expenditures	(58,763,496)	(67,147,771)	(85,597,205)	(48,837,262)	(198,837,262)	(19,234,921)	-	(3,312,965)	(3,005)	(143,325)	(3,275,128)	(851,308)	(84,276)	(771,493)	-	(4,388,017)	(12,497,331)	-	(17,300)	(12,506)	(808,361)	-	(7,000)	(1,438,261)	(12,497,331)	-	(17,300)	(12,506)	(808,361)	(7,000)	(1,438,261)	(12,497,331)	(124,896,252)
Operational surplus (deficit)	(50,206,912)	47,036	(52,205,674)	44,953	(52,205,674)	2,269,206	-	27,278,023	3,217,452	4,232,321	-	6,087,474	(9,005)	(174,202)	3,244,448	(851,308)	(84,276)	(84,276)	-	787,916	1,618,678	891,106	1,688,143	498,470	3,008,317	-	48,451,587	14,854,347	15,864,732	-	-		
Management fee charged to donors	18,995,883	6,442,608	34,406,481	2,118,208	21,522,881	-	-	(15,182,226)	(1,308,211)	(118,783)	-	(8,591,825)	-	(1,488,218)	(532,211)	(183,995)	(171,618)	-	-	(1,188,200)	(2,232,736)	-	-	-	-	-	-	(488,473)	(1,168,834)	(28,522,947)	-	-	
Movement in deferred grant due to capital expenditure / amortization	3,504,348	-	3,504,348	-	3,504,348	-	-	(15,268,735)	(87,225)	(141,272)	-	-	-	-	-	(84,755)	-	-	-	(263,826)	(74,502)	-	-	-	-	-	-	(17,387,335)	(7,822,302)	(771,128)	-	-	
Net surplus/(deficit) for the year	(52,927,811)	6,488,146	(52,739,402)	2,161,156	(52,927,811)	2,299,036	-	7,182,028	1,848,519	865,207	-	(214,362)	(104,425)	(127,780)	(170,225)	(227,961)	-	-	-	(883,466)	(883,961)	620,146	1,688,143	-	-	-	841,687	(15,481,832)	(15,648,783)	14,674,841	-		
Amount refunded to donors	-	-	-	-	-	-	-	-	-	-	-	-	(282,143)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(282,143)	(282,143)	(382,116)	-	
Closing balance	(21,914,882)	17,717,823	(8,295,608)	18,556,482	2,275,142	3,148,564	(3,452,863)	6,428,119	3,202,123	1,682,208	14,652	12,318	17,386,761	174,425	28,428	(121,762)	21,431	(227,881)	(122,625)	(25,121)	(225,946)	18,134	1,834,234	853,268	-	-	(34,862)	18,248,289	29,252,213	35,227,355	48,288,837		

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14.1 STATEMENT OF FINANCIAL POSITION

The Company's financial statements and contributions are prepared from financial records. Procedures in place to ensure the accuracy of these records are as follows:

14.1.1 FINANCIAL RECORDS

Financial assets and liabilities

Rate of interest	2008		
	Interest Received	Net Interest	Total
Financial Assets:			
Investment	%		
Revenue from Community Based Organizations		9,119,284	9,119,284
Monthly Income		83,045	83,045
Investment Income		375,771	375,771
Other Income		602,263	602,263
Cost of bank balances	2.1	(26,427,789)	(26,427,789)
		78,577,364	78,577,364
Financial Liabilities:			
Operational			
Interest Payable		(4,862,912)	(4,862,912)
Liabilities to donors		(1,120)	(1,120)
Payable to Promoter Fund		(1,865,221)	(1,865,221)
Contingent			
Contingent and Contingencies			
		(6,829,253)	(6,829,253)
Financial assets and liabilities		71,748,111	71,748,111
Rate of interest	%		
Financial Assets:			
Revenue from Community Based Organizations		5,768,874	5,768,874
Monthly Income		6,263,927	6,263,927
Monthly Income		273,000	273,000
Investment Income		497,000	497,000
Revenue from United Nations Development Programme (UNDP)		3,874,117	3,874,117
Revenue from United Nations Development Programme (UNDP)		219,000	219,000
Cost of bank balances	0.75 - 4.75	(60,722,767)	(60,722,767)
		6,371,194	6,371,194
Financial Liabilities:			
Operational			
Interest Payable		(1,855,804)	(1,855,804)
Liabilities to donors		(8,000)	(8,000)
Payable to Promoter Fund		(302,767)	(302,767)
Contingent			
Contingent and Contingencies		(3,022,542)	(3,022,542)
		(5,189,113)	(5,189,113)
Financial assets and liabilities		1,182,081	1,182,081

14.1.2 CASH FLOW

Cash flow is the net cash paid to a financial statement which is to discharge an obligation and cover the other parts of a financial statement. The Company's activities, which are part of the financial position, are related to financial cash.

14.1.3 Interest Rate Risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. Interest rate risk is managed by the Board of Directors.

14.1.4 Foreign Exchange Risk

Foreign exchange risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Foreign exchange risk is managed by the Board of Directors.

14.1.5 Credit Risk

Credit risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Credit risk is managed by the Board of Directors.

14.1.6 Fair Value of Financial Assets and Liabilities

The carrying value of all financial assets and liabilities reflected in the financial statements approximates fair value.

14.1.7 CONTINGENCIES & COMMITMENTS

The Company has no contingent liabilities or commitments as of June 30, 2009. (Note 22/2009 - 16)

14.1.8 NUMBER OF EMPLOYEES

Number of employees as at balance sheet date were 114 (2008: 107).

14.1.9 GENERAL

14.1.9.1 Significant events have been recorded in the notes to the financial statements.

14.1.9.2 Corresponding figures have been restated where appropriate for the purposes of comparison.

14.1.9.3 These financial statements were approved by Board of Directors on 14/10/2009.

SPO's Fifth Board of Directors
(Tenure: December 2003 to October 2006)

1. Prof. Dr. Karamat Ali - Chairperson
2. Syed Abid Rizvi - Vice Chairperson
3. Mr. Mohammad Riaz Gondal
4. Mr. Javed Jabbar
5. Mr. Iqbal Jaffer
6. Mr. Tufail Mohammad Khan
7. Mr. Wazir Khan
8. Mr. Nasser Memon
9. Ms. Rukhsanda Naz
10. Ms. Farida Taher Noshewani
11. Ms. Saqiba Saleemuddin
12. Ms. Farida Sher
13. Ms. Zarnat Yaqoob Yousofzai
14. Mr. Harris Khalique, Chief Executive

SPO's General Body Members

- | | |
|---------------------------|-----------------------------|
| Ms. Tahira Abullah | Mr. Wazir Khan |
| Mr. Mohammad Amin | Dr. Tufail Mohammad |
| Prof. Dr. Karamat Ali | Mr. Nasser Ahmed Memon |
| Ms. Shaheen Saeed Ali | Dr. Husna J. Memon |
| Dr. Qurat-ul-Ain Bakhtian | Ms. Rukhsanda Naz |
| Mr. Vincent A. David | Mr. Noor Ahmed Nizamani |
| Ms. Parveen Ghauri | Ms. Farida Tabir Noshewani |
| Sister Naseem George | Ms. Alyia Rab |
| Mr. Mohammad Riaz Gondal | Mr. Mohammad Rafiq |
| Ms. Noorain Hussain | Mr. Syed Abid Rizvi |
| Mani Ijaz-ul-Hassan | Ms. Saqiba Saleemuddin |
| Mr. Javed Jabbar | Ms. Farida Sher |
| Mr. Iqbal Jaffer | Mr. Roginai Dennis Williams |
| Prof. Ms. Tanweer Junejo | Ms. Zarnat Yaqoob Yousofzai |
| Ms. Farhat Khan | Ms. Shahnaz Zia |

SPO Employees

National Centre, Islamabad

1. Harris Khalique	Chief Executive
2. Fozia Tanveer	Programme Support Head
3. M. Zubair Kayani	Asst. Mgr. Finance & Institutional Affairs
4. Mian Bilal Naezeb	S. Mgr. Programme Planning and Audit
5. Aaref Farooqui	S. Mgr. Programme Planning and Audit
6. Shahid Mehmood	Internal Auditor
7. Altaf Iqbal	Mgr. Communications
8. Riazat Hussain	Specialist, Art and Design
9. Nighat Rafiq	S. Cord. Planning and Evaluation
10. Uzera Nishat	Mgr. Human Resources & Admin
11. Fakhru-din Razi	S. Cord. IT
12. Roland Williams	Cord. Front Desk
13. Tahir Rizwan	Cord. Finance
14. Nayyar Iqbal	Cord. Administration and Logistics
15. Sidney Sams	Executive Assistant Coordinator
16. Shabana Zafar	A. Cord. Gender & Capacity Building RC
17. Usman-bin-Tahir	A. Cord. Monitoring
18. Shahid Maqsood	A. Cord. Finance
19. Shahid Mehmood	A. Cord. Maintenance
20. Muhammad Khalid	Driver-1
21. Muhammad Arif	Driver-2
22. Haji M. Mushtaq	Driver-3
23. Muhammad Riaz	House Keeper
24. Usman Ghani	Office Attendant-1
25. M. Sher Khan	Office Attendant-2
26. Mukhtar Mashif	Cleaner

Quetta

27. Zafar Zeeshan	Regional Head
28. Yasmeen Noor	S. Cord. Gender and Capacity Building
29. Inqad Ali	S. Cord. Projects
30. Nosheen Dabran	Cord. Civil Society Networks
31. M. Younas	Cord. Training Unit
32. Asma Kiran	Cord. Projects
33. Farayal Ahmad	Cord. Civil Society Networks
34. Imran Inam	Cord. Gender and Capacity Building
35. Fozia Khajak	Asst. Cord. Gender and Capacity Building
36. Nauman Feroz	Cord. Finance and Administration
37. Kathy Javed Gill	A. Cord. Administration
38. Mirza Hashim Baig	A. Cord. Finance
39. Kh. Rehman Munir	Accountant (TAWANA Project)
40. Yaqoob Durran	Data Entry Operator (TAWANA Project)
41. Ittisham-ul-Haq	Driver-1
42. Fazal-ur-Rehman	Driver-2
43. Sarat Khan	Driver-3
44. Alzai Samuel	Office Attendant

Peshawar

45. Farayal Nighat Hussain	Regional Head
46. Sarwat Jahan	S. Cord. Gender and Capacity Building
47. Aijaz M. Durrani	S. Cord. Civil Society Networks
48. Shahid Mehmood	Cord. Gender and Capacity Building

49. Zuhrta Luqman	Cord. Gender and Capacity Building
50. Aliya Jabeen	A. Cord. Administration
51. M. Sohail Khan	A. Cord. Finance
52. Basit-ur-Rehman	Driver-1
53. Farmanullah Jan	Driver-2
54. Muhammad Ihsan	Driver-3
55. Irshad Ali	Office Attendant-2

Multan

56. G. Mustafa Baloch	Regional Head
57. Shah Nawaz Khan	S. Cord. Gender and Capacity Building
58. Feroza Zahra	Cord. Civil Society Networks
59. Abdul Rasheed	Cord. Projects
60. Gul Sadia Altaf	Cord. Projects
61. Samina Yousaf	Cord. Gender and Capacity Building
62. Aamir Kaleem	Cord. Finance & Administration
63. Jamshaid Iqbal	A. Cord. Gender & Capacity Building
64. Ayesha Majeed	A. Cord. Finance
65. Zanoor Khattak	A. Cord. Training Unit
66. Imran Maqsood	A. Cord. Administration
67. Shabir Ahmed	Driver-1
68. Raja M. Basheer	Driver-2
69. Shaukat Ali	Driver-3
70. Hassan Baksh	
71. Imran Buksh	

Hyderabad

72. Noor Mohammad	Regional Head
73. M. Shakeel Munwar	S. Cord. Projects
74. Gopal Daas	S. Cord. Civil Society Networks
75. A. Wahid Sangrasi	S. Cord. Gender and Capacity Building
76. Kulum Shams	S. Cord. Finance and Administration
77. Raheema Panwar	Cord. Gender and Capacity Building
78. Shazia Junjeo	Cord. Gender and Capacity Building
79. Sadarudin Jatoi	Cord. Projects
80. Sajid Chama	Cord. Training Unit
81. M. Ramzan	Cord. Administration
82. Shaqitta Daudgotta	A. Cord. Finance
83. Shahzad Jakhani	Driver-1
84. Muhammad Milhan	Driver-2
85. Muhammad Ayub	Driver-3
86. Sher Muhammad	Office Attendant
87. Shamshad	House Keeper/Cook

Turbat

88. Mukhtiar A. Chhigrali	S. Mgr. Turbat
89. Nasreen G. Nabi	S. Cord. Projects
90. Abdul Qadir Roonjah	S. Cord. CSN
91. Mansoor Ali Durban	Cord. Finance and Administration
92. Mansoor Ahmed	Cord. Gender and Capacity Building
93. Abdul Wahab	Cord. Training Unit
94. Mehrab Ali	A. Cord. Gender and Capacity Building
95. Noor Baksh	A. Cord. Projects
96. Mahruq Karim	A. Cord. Gender and Capacity Building
97. Tanvir Ahmed	A. Cord. CSN

98. Zehid Hussain	A. Cord. Finance
99. Zubair Ahmed	A. Cord. Administration
100. Bashir Ahmed	Driver-1
101. Mohammad Moosa	Driver-2
102. Mohammad Murad	Driver-3
103. Mohammad Murad	Office Attendant-1
104. Ali Ahmed	Office Attendant-2

Dera Ismail Khan

105. M. Ijaz Qasim	S. Mgr. D. I. Khan
106. Mehwish Muneeb	A. Cord. Gender and Capacity Building
107. Shafiqullah Khan	A. Cord. Gender and Capacity Building
108. Akbar Ali	A. Cord. Finance and Administration
109. Haider Ali	Incharge Training Unit
110. M. Jehangir	Driver
111. Mohib Hussain	House Keeper/Cook

Lahore

112. Anita Jacqueline Gill	Senior Coordinator Lahore
113. Zile Hasnain	A. Cord. Finance and Administration
114. Mohammad Nawaz	Driver

Karachi

115. Ehsan Baksh	Senior Coordinator
116. Zeeshan Mahmood	A. Cord. Finance and Administration

Tawana Project, D.I.Khan

117. Syed Mumtaz Shah Shezari
118. Shehzada Fazalidin
119. Mohammad Ali
120. Qadir Baksh

Tawana Project, Karak

121. Shabnam Noreen
122. Mohammad Ejaz
123. Mohammad Ilyas
124. Ruzya Khattak
125. Muhammad Shahid
126. Sani Badshah

Tawana Project, Gawadar

127. Abdul Majid Sohrabi
128. Husna Raheed
129. Fazela Rafiq
130. Hameeda Bibi
131. Naeheed Bibi
132. Allahdad Pir
133. Haleez Jaffer
134. Mohammad Akram
135. Baboo Ali
136. Abdul Ghani
137. Abdul Jabbar

Tawana Project, Zhob

138. Murad Mian Khel
139. Abida Khanum
140. Naik Bukht
141. Inshad Amanullah
142. Khurshedd Akhter
143. Abdul Rasheed
144. Mohammad Iqbal
145. Mohammad Sarwar

146. Abdul Ghaflar
147. Wasi Mohammad

Esra Project, Quetta

148. Sufia Syed
149. Yaqoob Durani
150. Khawajah Rehman Muni
151. Farooq Ahmed Magsi
152. Gul Zaman
153. Skander Khan Baloch
154. Ayesha Noor
155. Ateeque-ur-Rehman
156. Sherbaz Baloch
157. Mohammad Ibrahim
158. Noor Khan Mengal
159. Hamid Akram Sanjari
160. Gohram Baloch
161. Noor Bibi
162. Mohammad Sharif
163. Feroza Khalid
164. Bibi Fahmeeda
165. Jamila Badini
166. Abdul Sattar
167. Salah-ud-din-Sareech
168. Azim Rind
169. Muhammad Amin Danish
170. Zuhrta Khalid

Tawana Project, Quetta

171. Abdul Majid
172. Akram
173. Fahmeeda
174. Naeheed Ali
175. Allahbux
176. Hameeda
177. Fazela
178. Nadeem Iqbal
179. Naseer Ahmed Baloch
180. Waheeda Gul
181. Allahdad
182. Abida Khanum
183. Muhammad Iqbal Khan
184. Murad Khan Mian Khel
185. Abdul Rasheed
186. Gul Shah Khan
187. Inshad
188. Abdul Karim
189. Khurshid Akhter

National Resource Management NRM/PLI

190. Asghar Khan
191. Qudratullah
192. Mahjabeen
193. Rania Tamkeen
194. Gulzar Hussain
195. Mohammad Ali

SDG/Non-Formal Education NFE

196. Ayesha Faiz
197. Humera Rahim
198. Jamal Shah
199. Shehla Iqbal
200. Anwar Sheer



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