

pact

annual report 2013



There is a place for everyone in Pact's promise.

Around the world, people are seeking a promise. **The promise of a better tomorrow.** Their lives—and the challenges they face—are rarely simple and straightforward. Whether they're trapped in poverty, crippled by disease, or handicapped by a dearth of natural resources—or any combination—it takes an array of locally adapted tools, skills and methods to achieve lasting change in their **livelihoods, health** and **environment**.

It takes an **integrated approach**.

By simultaneously developing the capacity of local organizations, expanding access to markets, and nurturing government-citizen interaction, our integrated approach more wholly reflects the way people live their lives and yields transformation greater than the sum of its parts, fulfilling our promise of a better tomorrow for those we serve.

It works. In 2013, Pact and its partners helped:

- More than 2.8 million vulnerable people in 14 countries access the health products, services and information they need to enjoy a **healthier life**.
- A total of 570,342 people with limited livelihoods choices gain the resources needed to become **income-secure**.
- Resource-dependent communities improve nearly 2 million hectares of ecosystems, thereby obtaining lasting benefit from the sustainable use of **natural resources** around them.

Pact is a promise. A promise fulfilled is the result of a mosaic of interconnected pieces working together for a greater whole.

There's a place for everyone in Pact's promise.



Mark Viso
CEO + President



Stephen H. Oleskey
2013 Board Chair

A combination of diverse elements forming a more or less coherent whole.



A mosaic's parts are disparate but also unified. It has structure, forms a pattern but also moves in different and new directions as other pieces join; it expands organically; there is no end to what fits in. The more intricate and interwoven the mosaic, the stronger it becomes.

From a mosaic of many interconnected pieces emerges a single, unified whole.

Pact's brand of international development reflects the mosaic, our results often greater than the sum of our parts.

Our integrated approach to helping people earn a decent living, be healthy and benefit from their natural environment represents a holistic solution cobbled together from diverse but related disciplines. Like a mosaic, people's lives have many parts; to improve the whole means improving many pieces.

To earn a dignified living, one needs good health and healthy markets. To maintain good health, one requires income security that ensures food security and access to health care. For a market to generate jobs, many communities must sustainably manage their natural resources for lasting benefit. The pattern, as with a mosaic, repeats itself, one factor reinforcing the next.

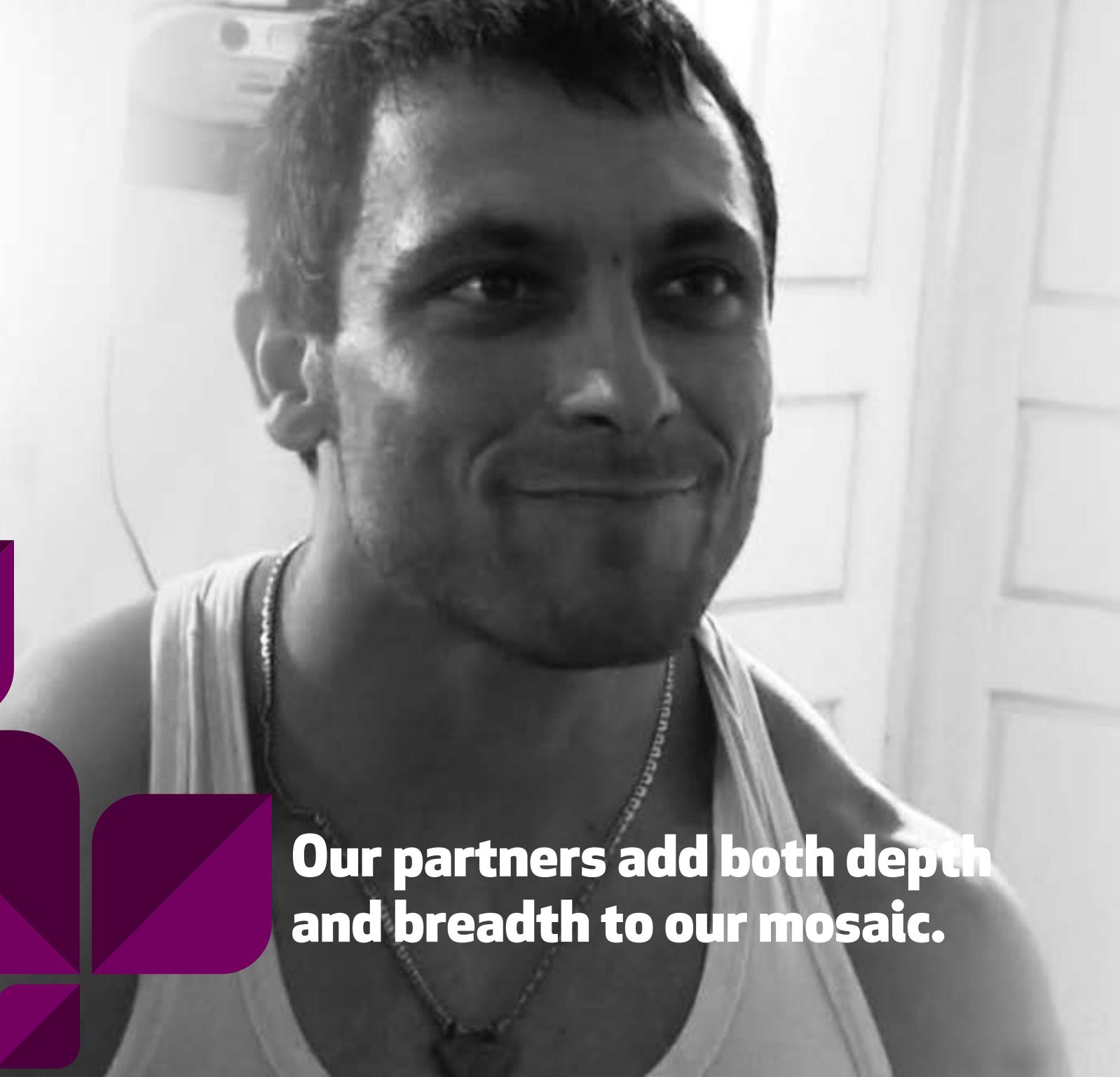
Our partners — more than 10,000, from community nonprofits to civil society organizations, village and town governments to citizen volunteers — add both depth and breadth to our mosaic, and in turn partner with millions of people for whom Pact is a promise of a better tomorrow.

In communities around the world where Pact works, those who are poor and marginalized, one by one, learn to build their own solutions and take ownership of their future.

Transformations that, at scale, emerge in global change. Forming the coherent whole—the mosaic.

a promise realized

In Ukraine, Pact and USAID helped Niyas, a local weightlifter with cerebral palsy, realize his dream of helping others with disabilities through sport. Using a crowdfunding website funded by Pact as part of a program to support democracy, donors chipped in small amounts of cash to help the then 25-year-old weightlifter build a gym where physically challenged people could train to lift weights. Niyas's campaign raised \$1,920; Pact and USAID matched that amount when Pact awarded Niyas a 'Civic Innovation Fellowship,' an award given to residents of Crimea to support community development projects. In addition, Pact helped local partners change Ukraine's laws to create a friendlier environment for philanthropy and nongovernmental organizations, including changes to Ukrainian law allowing charitable organizations to use the Internet to collect donations.



**Our partners add both depth
and breadth to our mosaic.**



In November 2012, Pact became one of 12 NGOs to provide guidance to extractive companies on maintaining security while respecting human rights.



**improving systems of
governance, developing
local capacity**



supporting a just society

In South Sudan, Pact is helping the world's newest country implement peace and improve rule of law. In 2012, Pact's effort to improve access to justice provided the first in-depth view of the crisis and the range of justice issues at play. The report, published with our partner, the South Sudan Law Society, found that one in 5 households had a family member killed in the last two years. Justice issues ranging from murder, abduction and sexual assault to domestic violence, forced marriage, and girl-child compensation were rife throughout the six counties surveyed. Today, many of those communities are now implementing effective dispute resolution systems and others are following their examples.



In May 2013, Pact became first U.S.-based implementing NGO to publish project data to the International Aid Transparency Initiative.



**enabling secure
livelihoods, improving
health, supporting
local capacity**



helping rural communities grow

Five Myanmar civil society organizations began lending more than US\$3 million to farmers and women in isolated communities, thanks to help from Pact Global Microfinance Fund and LIFT, a multi-donor fund managed by the UN. Pact helped the organizations improve their capacity to offer quality microcredit services, ensure their sustainability as they grow their loan portfolios and learn from Pact's own microfinance operations. One of the largest launches of microfinance lending by local nonprofit organizations to date, the loans will improve livelihoods and food security for up to 45,000 families in regions where no access to credit existed.

Hand in hand with partners, Pact tackles poverty through a unique brand of international development—one that approaches poverty from all angles. The intrinsic value of Pact's approach is the ability to work across technical areas to design holistic programs that squarely address multiple, interwoven factors associated with poverty and marginalization. For people to truly lift themselves out of poverty, they need to earn a decent living, be healthy, and take part in the benefits that nature provides. This integrated approach is customized in every community in which Pact works. In the Pact model communities set their own priorities, devise the best solution to their challenges with Pact's guidance and assistance, and enjoy a brighter tomorrow as a result of their own accomplishment.

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Statement of Financial Position

as of September 30, 2013

Assets	2013
Cash And Cash Equivalents	\$ 6 0,981,495
Investments	\$3,116,741
Federal Grants Receivable	\$2,360,791
Other Grants Receivable	\$5,568,817
Advances And Other Receivables	\$8,219,026
Prepaid Expenses And Deposits	\$1,594,3411,
Loan Portfolio, Net Of Loan Loss Reserve	\$81,294,938
Property And Equipment, net	\$1,430,993
Total Assets	\$1 64,567,142
Liabilities and Net Assets	
Accounts payable and accrued expenses	\$ 7,496,656
Beneficiary savings and reserved funds	\$24,369,347
Net returns on loans, reinvested earnings	\$60,543,410
Refundable advances – federal	\$26,068,445
Refundable advances – other	\$34,312,814
Total Liabilities	\$152,790,672
Unrestricted – Pact, Inc.	\$6,025,022
Unrestricted – Pact Institute, Inc.	\$2,295,203
Unrestricted – Pact Global Microfinance Fund	\$3,456,245
Total Net Assets	\$11,776,470
Total Liabilities and Net Assets	\$1 64,567,142

The financial records of Pact, Inc. and affiliates are audited annually by an independent firm of certified public accountants. The financial records for 2013 were audited by McGladrey, LLP.

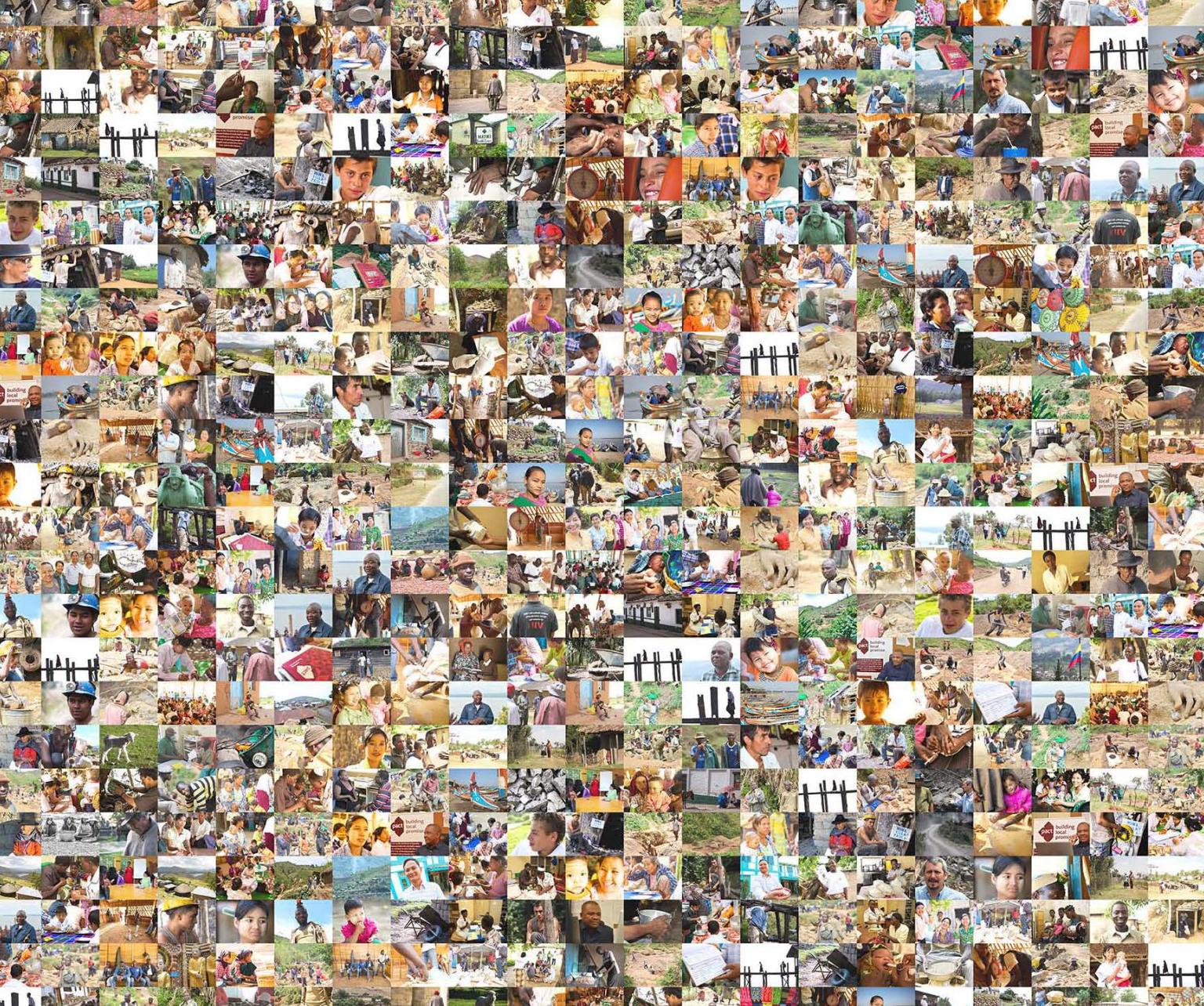
Audit reports are available at Pact, Inc..

Statement of Activities

for the year ending September 30, 2013

Support and Revenue	2013
Grants and contracts	\$162,008,246
Contributions	\$467,908
Microfinance loan activities	\$21,234,457
Fee income on microfinance loans	\$239,570
Investment income, net	\$424,336
Other revenue	\$28,935
Total Support and Revenue	\$184,403,452
Expenses	
Program services	\$162,165,076
Management and general	\$17,343,543
Unrestricted general expenses	\$387,556
Fundraising	\$165,242
Total Expenses	\$180,061,417
Change in net assets	
	\$4,342,035
Net assets:	
Beginning	\$7,434,435
Ending	\$11,776,470

Pact is a promise,
and a promise
fulfilled.



www.pactworld.org