

**FINANCIAL STATEMENTS
OF
TRANSPARENCY INTERNATIONAL
PAKISTAN
FOR THE YEAR ENDED
JUNE 30, 2025**



MUNIFF ZIAUDDIN & CO.

Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF TRUSTEES

Opinion

We have audited the financial statements of Transparency International Pakistan, herein after referred to as "the Trust", which comprise the statement of financial position as at June 30, 2025 and the income statement, statement of changes in general fund and statement of cash flows for the year ended and notes to the financial statements. Including summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at June 30, 2025 and of its financial performance and its cash flows for the year then ended in accordance with approved accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with the 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 Organization in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Organization 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.

Responsibilities of Management and Those Charged with Governance for the Financial Statement

The Board of Trustees is responsible for the preparation and fair presentation of the financial statements in accordance with the approved accounting and reporting standards as applicable in Pakistan, and for such internal control as the Board of Trustees determine 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, Board of Trustees is responsible for assessing the Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization'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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

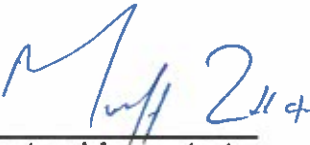
As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment

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.

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



Chartered Accountants
Karachi

Date: March 18, 2026

UDIN: AR202510130gjNzGC3EY

**TRANSPARENCY INTERNATIONAL PAKISTAN
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025**

	Note	2025 -----Rupees-----	2024
ASSETS			
NON CURRENT ASSETS			
Fixed Assets	4	1,056,070	1,447,429
CURRENT ASSETS			
Advances and Other receivables	5	874,110	76,000
Short term investment	6	-	35,768,603
Cash & bank balances	7	80,123,184	38,094,106
		80,997,294	73,938,709
TOTAL ASSETS		82,053,364	75,386,138
FUND & LIABILITY			
General Fund		47,886,324	46,903,238
Excess for the year		13,718,218	983,086
		61,604,542	47,886,324
Endowment Fund		5,300,000	5,300,000
CURRENT LIABILITIES			
Accrued and other payable	8	27,000	59,211
Deferred Grant	9	15,121,822	22,140,603
		15,148,822	22,199,814
Contingencies and commitments	10		
TOTAL FUNDS AND LIABILITIES		82,053,364	75,386,138

The annexed notes from 1 to 17 form an integral part of these financial statements.



Chairman / Trustee



Trustee

**TRANSPARENCY INTERNATIONAL PAKISTAN
INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2025**

	Note	2025 -----Rupees-----	2024
INCOME			
Grants		45,298,103	36,722,868
EXPENDITURE			
Donor's project related expenditure	12	<u>(37,690,997)</u> 7,607,107	<u>(40,062,094)</u> (3,339,227)
Other income	13	10,100,010	8,652,922
Administration and general expenses	14	(3,988,899)	(4,330,610)
Taxation	15	-	-
EXCESS OF INCOME OVER EXPENDITURE		<u><u>13,718,218</u></u>	<u><u>983,086</u></u>

The annexed notes from 1 to 17 form an integral part of these financial statements.



Chairman / Trustee


Trustee

**TRANSPARENCY INTERNATIONAL PAKISTAN
STATEMENT OF CHANGES IN GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2025**

	General Fund	Excess of income over expenditure	Endowment Fund	Total
	----- Rupees -----			
Balance as at July 01, 2023	46,903,238	-	5,300,000	52,203,238
Excess of income over expenditure for the year ended June 30, 2024	-	983,086	-	983,086
Transfer to general fund	983,086	(983,086)	-	-
Balance as at June 30, 2024	47,886,324	-	5,300,000	53,186,324
Excess of income over expenditure for the year ended June 30, 2025	-	13,718,218	-	13,718,218
Transfer to general fund	13,718,218	(13,718,218)	-	-
Balance as at June 30, 2025	<u>61,604,542</u>	-	<u>5,300,000</u>	<u>66,904,542</u>

The annexed notes from 1 to 17 form an integral part of these financial statements.



Chairman / Trustee



Trustee

**TRANSPARENCY INTERNATIONAL PAKISTAN
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2025**

Note	2025	2024
	-----Rupees-----	
CASH FLOW FROM OPERATING ACTIVITIES		
Excess of income over expenditure	13,718,218	983,086
Adjustment for non cash items:		
Depreciation	852,363	751,732
	<u>14,570,582</u>	<u>1,734,818</u>
Increase / decrease in current assets and liabilities:		
(Increase) in advance and other receivable	(798,110)	(66,455)
(Decrease) in deferred grant	(7,018,782)	(1,261,461)
(Decrease) / Increase in accrued and other payable	(32,211)	6,495
Net cash flow generated from operating activities (A)	<u>6,721,479</u>	<u>413,397</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Addition in Property, plant and equipment	(543,099)	(724,407)
Sale proceeds from the disposal of Property, plant and equipment	82,095	-
Addition in Investment	-	2,300,158
Sale proceeds from the disposal of Investment	35,768,603	-
Net Cash flows from investing activities (B)	<u>42,029,078</u>	<u>1,575,751</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Net Cash flows from financing activities (C)	-	-
Net increase/(decrease) in cash and cash equivalents (A+B+C)	<u>42,029,078</u>	<u>1,989,148</u>
Cash and cash equivalents at the beginning of the year	38,094,106	36,104,958
Cash and cash equivalents at the end of the year	<u>80,123,184</u>	<u>38,094,106</u>

The annexed notes from 1 to 17 form an integral part of these financial statements.



Chairman / Trustee



Trustee

**TRANSPARENCY INTERNATIONAL PAKISTAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

1. STATUS AND ACTIVITIES

Transparency International Pakistan (the Trust) was registered in Pakistan on May 2002 as a Trust under Trust Act, 1882 and having its office at Karachi. The Trust is one of over 100 national chapters world wide of the global trust Transparency International, headquartered in Berlin, Germany. The Trust is a non-profit, non partisan and non political trust which aims at fighting corruption at the national level.

2. BASIS OF PREPARATION

These financial statements have been prepared under the historical cost convention. The preparation of these financial statements are in conformity with the Trust Deed, respective agreements entered into between the TRUST and the donor agencies, and approved accounting standards, as applicable in Pakistan. Approved accounting standards comprises of Accounting and Financial Reporting Standard for Small Sized Entities (SSEs) issued by the Institute of Chartered Accountants of Pakistan (ICAP).

These financial statements have also been prepared in accordance with "Guideline for accounting and reporting for Non-Government (NGOs) and Non-Profit Organisations (NPOs)" issued by ICAP and in case requirements differ, Accounting and Financial Reporting Standard for SSEs shall prevail.

The preparation of financial statements require the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the accounting policies. Areas involving a higher degree of judgment or complexity, or areas where assumptions and estimations are significant to the financial information, are disclosed in note 3.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Fixed Assets

These are stated at historical cost less accumulated depreciation. Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. Depreciation is charged for whole year in the year of acquisition, whereas no depreciation is charged in the year of disposal.

Maintenance and normal repairs are charged to income as and when incurred. Major renewals and improvements are capitalized.

Gains and losses on disposals, if any, is included in income currently.

3.2 Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less.

3.3 Accrued and other payable

Liabilities for trade and other amounts payable are carried at cost which is the fair value of the consideration to be paid in future for goods and services received.

3.4 Financial Instruments

All financial assets and financial liabilities are recognized at the time when the trust becomes a party to the contractual provisions of the instruments. Any gain or loss on derecognizing of financial assets and financial liabilities are taken to profit and loss currently.

All financial assets and liabilities are initially measured at cost, which is the fair value of the consideration given and received respectively. These financial assets and liabilities are subsequently measured at fair value, amortized cost or cost, as the case maybe.

3.5 Investment-held to maturity

The investments are classified under current assets and are expected to be realized within twelve months of balance sheet date. Held-to-maturity investments with fixed or determinable payments and fixed maturity that the Institution has the positive intent and ability to hold to maturity. These are subsequently carried at amortized cost using effective interest rate method.

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3.6 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial information of each of the donor funded projects are measured using the currency in which the donation is received. The financial statements of the Trust are presented in Pakistani Rupee, which is the Trust's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the beginning of any month. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in income and expenditure account.

3.7 Revenue recognition

(a) Grant income

Grants are recognised at their fair value in income and expenditure account where there is a reasonable assurance that the grant will be received and the Trust has complied with all attached conditions. Grants received where the Trust has yet to comply with all attached conditions are recognised as a liability.

Grants that are received or become receivable as compensation for expenses incurred or for the purpose of giving immediate financial support to the Trust, with no future related costs, are recognized as income of the period in which these are received or become receivable.

Grants for which no basis of allocation exist, other than allocating these over periods in which it is received, are recognised on receipt basis.

(b) Interest income

Profit on TDR, PIBs and saving account is recognized on accrual basis using applicable interest rates.

3.8 Taxation

The Trust is registered as a withholding tax agent for the purpose of sales tax and income tax.

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4. Property, plant & equipments

Particulars	C O S T				Rate	D E P R E C I A T I O N				
	As at July 01, 2024	Additions	Deletions	As at June 30, 2025		As at July 01, 2024	Adjustment	For the year	As at June 30, 2025	Written Down Value as at June 30, 2025
	Rupees									
Office premises	3,050,000	-	-	3,050,000	5%	2,570,006	-	152,500	2,722,506	327,494
Electronic Items	529,854	218,200	(122,000)	626,054	30%	119,192	(73,200)	187,816	233,808	392,246
Computers	1,363,973	324,899	(110,995)	1,577,877	30%	969,536	(77,700)	473,363	1,365,199	212,678
Furniture and Equipment	193,420	-	-	193,420	20%	31,084	-	38,684	69,768	123,652
Total	5,137,247	543,099	(232,995)	5,447,351		3,689,818	(150,900)	852,263	4,391,281	1,056,070

Particulars	C O S T				Rate	D E P R E C I A T I O N				
	As at July 01, 2023	Additions	Deletions	As at June 30, 2024		As at July 01, 2023	Adjustment	For the year	As at June 30, 2024	Written Down Value as at June 30, 2024
	Rupees									
Office premises	3,050,000	-	-	3,050,000	5%	2,417,506	-	152,500	2,570,006	479,994
Electronic Items	2,704,826	271,728	(2,446,700)	529,854	30%	2,484,713	(2,446,700)	81,179	119,192	410,663
Computers	1,104,714	259,259	-	1,363,973	30%	482,566	-	486,970	969,536	394,437
Furniture and Equipment	-	193,420	-	193,420	20%	-	-	31,084	31,084	162,336
Total	6,859,540	724,407	(2,446,700)	5,137,247		5,384,785	(2,446,700)	751,732	3,689,818	1,447,429

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2025 2024
-----Rupees-----

5. OTHER RECEIVABLES

Advance		76,000	76,000
Other receivable		798,110	-
		874,110	76,000

6. SHORT TERM INVESTMENTS

Pakistan Investments Bond - held at amortized cost	6.1.	-	25,768,603
Term deposit certificate - held to maturity	6.2	-	10,000,000
		-	35,768,603

6.1. This represented Pakistan Investment Bonds having a maturity period of five years ending on 19 September 2024 carrying markup 9.50% per annum.

6.2. This represented term deposit receipts having a maturity period of 3 years carrying markup 10.7% per annum ending on 24 January 2025

7. CASH AND BANK BALANCES

Cash on hand		167,147	148,332
Cash at bank			
<i>Current accounts</i>			
Local currency account		13,716,111	255,151
<i>Saving accounts</i>			
Saving accounts	7.1.	66,208,770	37,660,049
Foreign currency account	7.2.	31,156	30,574
		66,239,926	37,690,623
		80,123,184	38,094,106

7.1. The bank account carries a mark-up at rates 12% to 15% (2024: 16% to 18%) per annum.

7.2. Foreign currency account include 109.86 Dollar at a conversion rate of Rs 283.6 (2024:Rs 278.3).

8. ACCRUED AND OTHER PAYABLE

Other Payable		27,000	59,211
		27,000	59,211

DEFERRED GRANT

Deferred Grant		15,121,822	22,140,603
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Deferred grant comprise of grants received from donors against expenditure to be incurred over their remaining periods. period.

10. CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitment at the reporting date (2024: NIL).

11. DONOR WISE PROJECT GRANT

Strengthening Civic Voices for Good Governance and Accountability		845,123	-
Strengthening Civic Voices for Good Governance and Accountability Phase II		31,252,128	-
Strengthening Integrity and Inclusiveness in Climate Governance		-	35,461,407
European Union		2,340,000	-
Sustainability Funding		3,842,071	-
		38,279,322	35,461,407

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	Note	2025	2024
		Rupees	
12. DONOR WISE PROJECT EXPENDITURES			
Strengthening Civic Voices for Good Governance and Accountability	12.1	-	21,396,981
Strengthening Civic Voices for Good Governance and Accountability Phase II	12.2	15,806,163	617,457
Strengthening Integrity and Inclusiveness in Climate Governance	12.3	19,214,952	18,047,656
European Union	12.4	2,733,382	-
Sustainability Funding	12.5	85,000	-
		<u>37,839,497</u>	<u>40,062,094</u>

13. OTHER INCOME

Exchange gain/(loss)	48,195	(912)
Interest income	10,050,615	8,653,834
Other income	1,200	-
	<u>10,100,010</u>	<u>8,652,922</u>

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