



**T R A N S P A R E N C Y
I N T E R N A T I O N A L - P A K I S T A N**

4-C, Mezzanine Floor, Khayaban-e-Ittehad, Phase VII,
Defence Housing Authority, Karachi.
Tel: (92-21) 35390408, 35311897-8,
Fax: (92-21) 35390410
E-mail: ti.pakistan@gmail.com
Website: www.transparency.org.pk

Dated: July 6th, 2020

Mr Sajidullah Siddiqui,
Chief Commissioner LTO,
Karachi.

**SUBJECT: APPLICATION FOR APPROVAL FOR THE PURPOSES OF CLAUSE (36)
OF SECTION 2 OF THE INCOME TAX ORDINANCE, 2001**

Dear Sir,

1. With reference to clause (36) of section 2 of the Income Tax Ordinance, 2001 (XLIX of 2001), I the undersigned, hereby apply, on behalf of **Transparency International Pakistan** (the organization) for its approval for the purposes of the said clause for the tax year ending on June 30th, 2020.

2. Necessary particulars are set out below, and in the schedule to this application.

3. The following documents required under sub-rule (2) of rule 211 of the Income Tax Rules, 2002, are enclosed:

- i. Certified copy of the registered trust deed
- ii. Details of Trustees of the organization
- iii. Certified copy of certificate of registration
- iv. Duly attested copies of the Financial Statements of the organization audited by qualified accountant for the year December 31, 2019.

Signature _____

Name

SYED ADIL GILANI

Designation

MANAGING DIRECTOR



**TRANSPARENCY
INTERNATIONAL-PAKISTAN**

4-C, Mezzanine Floor, Khayaban-e-Ittehad, Phase VII,
Defence Housing Authority, Karachi.
Tel: (92-21) 35390408, 35311897-8,
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Website: www.transparency.org.pk

Dated: July 6th, 2020

The,
Commissioner IR Zone-I,
RTO
Karachi.

**SUBJECT: APPLICATION FOR APPROVAL FOR THE PURPOSES OF CLAUSE (36)
OF SECTION 2 OF THE INCOME TAX ORDINANCE, 2001**

Dear Sir,

1. With reference to clause (36) of section 2 of the Income Tax Ordinance, 2001 (XLIX of 2001), I the undersigned, hereby apply, on behalf of **Transparency International Pakistan** (the organization) for its approval for the purposes of the said clause for the tax year ending on June 30th, 2020.
2. Necessary particulars are set out below, and in the schedule to this application.
3. The following documents required under sub-rule (2) of rule 211 of the Income Tax Rules, 2002, are enclosed:
 - i. Annual income tax return for the year ended June 30, 2019.
 - ii. Annual audited accounts for the year ended December 31, 2019.
 - iii. Details of unutilized funds.
 - iv. Performance evaluation letter.
 - v. Copy of the registered trust deed
 - vi. Details of Trustees of the organization
 - vii. Certified copy of certificate of registration
 - viii. Last exemption certificate copy

Signature _____

Name

SYED ADIL GILANI

Designation

MANAGING DIRECTOR



TRANSPARENCY INTERNATIONAL PAKISTAN
SCHEDULE

PARTICULARS

1. Name of the organization: TRANSPARENCY INTERNATIONAL PAKISTAN.
2. Full address of the organization: 4C, MEZZANINE FLOOR KHYABN-E-ITTEHAD DHA PHASE VII, KARACHI.
3. Date of registration of the organization 24-08-2002.
4. Its aims and objects.
 - (a) To promote and provide for the development of institutions, laws and rules for the establishment of an efficient system for ensuring transparency in governance, politics and business transactions and combating corruption.
 - (b) To promote and provide for transparency in economic activities with a view to combating corruption and thus improving efficiency and productivity of economic resources.
 - (c) To promote and provide for the propagation of transparency in business transactions and combating corruption.
 - (d) To promote the implementations of policies, laws and rules which would ensure transparency in business transactions and combat corruption.
 - (e) To promote and provide for the monitoring of transparency in business transparency in business transaction and corruption.
 - (f) To promote and provide for transparency in business transactions involving the government, statutory bodies, non-government organizations and other private entitles, where there is a direct or indirect bearing on corruption and or/ unlawful business practices.
 - (g) To promote and provide transparency in the standards and practices of accounting.
 - (h) To promote and provide for transparency in the conduct of the law enforcing agencies and other governmental departments and agencies whose activities have a regulatory, supervisory or investigative role with regard to business transactions.
 - (i) To promote, and organise conferences, lectures, seminars, conventions, workshops and set up study groups and training programmes for the furtherance of the objects of the trust.
 - (j) To establish and maintain libraries and information services to facilitate transparency in business transactions.
 - (k) To cooperate with approved institution and bodies for the purpose of enabling transparency in business transactions.
 - (l) To issue appeals, proposals and applications for money and funds in the furtherance of the said objectives of the trust and to accept gifts, donations and subscriptions in cash and securities and of any property whether movable or immovable.
 - (m) To borrows money for the furtherance of the objectives of the trust and to invest and deal with funds and money of the trust.



TRANSPARENCY INTERNATIONAL PAKISTAN

- (n) To acquire, purchase or otherwise own or take on lease or hire in Karachi or outside Karachi, temporarily or permanently any movable or immovable property necessary or convenient for the furtherance of the objects of the trust.
- (o) To acquire, take over or accept by way of gift the assets of any other trust/society, institute or entity with similar objectives as the said trust.
- (p) To sell, mortgage, lease, or exchange or otherwise transfer, dispose of all or any property, movable or immovable of the trust for the furtherance of attaining the objectives of the trust.
- (q) To construct, maintain, alter, improve or develop any building or works necessary or convenient for the purposes of the trust.
- (r) To do all such other lawful acts as are conducive or incidental to attainment of all the above objectives and for furthering the growth of the trust.
- (s) To undertake and accept the management of any endowment or trust fund or donation.

5. Transparency International Pakistan is registered as Trust under Trust Act, 1882. The number of registration is 396 and date of registration is 24-08-2002.

6. The rules and regulations of the Trust Deed conform to the provisions of sub-rule (1) of rule 213. Followings are the references of rule numbers in respect of each provision of sub-rule (1) of rule 213:

- 1. Rule 213 (1)(a) is mentioned in Rule VII of Rules and Regulations of Trust Deed.
- 2. Rule 213 (1)(b) is not applicable as the organization is registered as Trust under Trust Act, 1882.
- 3. Rule 213 (1)(c) is mentioned in Rule XII of Rules and Regulations of Trust Deed
- 4. Rule 213 (1)(d) is mentioned in Rule VIII of Rules and Regulations of Trust Deed
- 5. Rule 213 (1)(e) is mentioned in Rule VI of Rules and Regulations of Trust Deed
- 6. Rule 213 (1)(f) is mentioned in Rule VI of Rules and Regulations of Trust Deed
- 7. Rule 213 (1)(g) is mentioned in Rule VI of Rules and Regulations of Trust Deed
- 8. Rule 213 (1)(h) is mentioned in Rule XVIII of Rules and Regulations of Trust Deed
- 9. Rule 213 (1)(i) is mentioned in Rule VI of Rules and Regulations of Trust Deed

7. The organization ensures for the benefit of the general public by fighting against corruption and acting as whistle blower.

8. The number of trustees of the organization on the date of application was 7.

9. Accounting year of the organization commences on July 1st and ends on June 30th.

10. The following books of accounts are being regularly maintained by the organization and are open for inspection without any hindrance to the general public.



TRANSPARENCY INTERNATIONAL PAKISTAN

- (i) Cash Book
- (ii) Bank Book
- (iii) Ledgers

11.

S. No	Bank Name	Bank Account Number	Branch Details
1.	Standard Chartered Bank	01 0213625 01 05 0213625 79 08 0213625 01	DHA Phase II Branch, Karachi.
2.	Sindh Bank Limited	5301 159217 2014 5301 159217 6120 5301 159217 2136	DHA Phase VII, Kheyaban-e-Ittehad Branch Karachi.
3.	Silk Bank Limited	0069 2000950 249 0069 2001735 732	DHA Phase II EXT, Kheyaban-e-Ittehad Branch Karachi.
4.	Allied Bank Limited	0010020236180021 0010020236180015 0010020236180038	DHA Phase VII, Kheyaban-e- Ittehad Branch Karachi.
5.	Askari Bank Limited	0000331650504032	Kheyaban-e-Ittehad Branch Phase – II Extension DHA Karachi.
6.	Bank Islami Pakistan Limited	0039 123604 026 0039 123604 126 0039 123604 027 0039 123604 127 0039 123604 128 0039 123604 101 0039 123604 121 0039 123604 122 0039 123604 123 0039 123604 001	DHA Phase II Branch, Karachi.

Signature _____

Name: SYED ADIL GILANI

Designation: MANAGING DIRECTOR



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Website: www.transparency.org.pk

Dated: July 6th, 2020

The Chief Commissioner (IR)
Corporate RTO
Karachi

**Subject: TRANSFER APPLICATION FOR APPROVAL FOR THE PURPOSES OF
CLAUSE (36) OF SECTION 2 OF THE INCOME TAX ORDINANCE, 2001**

Dear Sir,

We submitted online application for approval for the purpose of Clause (36) of section 2 of the Income Tax Ordinance, 2001 on July 6th, 2020. We request you to kindly transfer our online application to Zone I.



Syed Adil Gilani
Managing Director



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Website: www.transparency.org.pk

Dated: July 6th, 2020

The Chief Commissioner (IR)
Corporate RTO
Karachi

Subject: Grant Details of Donors

Respected Sir,

Details of grants received by Transparency International Pakistan from July 1, 2019 to June 30, 2020 are as follows:

Donor Name	Grant Amount
USAID	<u>PKR 59,204,977.64</u>
CVAC	<u>PKR 3,644,939.69</u>
Enabling Impact	<u>PKR 57,648.69</u>
TIP Interim Support	<u>PKR 682,240.00</u>

Syed Adil Gilani
Managing Director



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E-mail: ti.pakistan@gmail.com
Website: www.transparency.org.pk

Dated: July 6th, 2020

The,
Commissioner IR Zone-I,
RTO,
Karachi.

Subject: List of Trustees & Director of Transparency International Pakistan

Dear Sir,

The names of the Trustees & Director of Transparency International Pakistan are as follow.

- | | | |
|----|--------------------------------|-------------------|
| 1. | Mr. Sohail Muzzaffar | Chairman |
| 2. | Justice (R) Dr. Ghous Muhammad | Vice Chairman |
| 3. | Justice (R) Zia Perwez | Trustee |
| 4. | Ms. Yasmeen Lari | Trustee |
| 5. | Ms. Shahana Kaukab | Trustee |
| 6. | Justice (R) Nasira Iqbal | Trustee |
| 7. | Dr Tanweer Khalid | Trustee |
| 8. | Syed Adil Gilani | Managing Director |



Syed Adil Gilani
Managing Director



**TRANSPARENCY
INTERNATIONAL-PAKISTAN**

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E-mail: ti.pakistan@gmail.com
Website: www.transparency.org.pk

Dated: July 6th, 2020

The Chief Commissioner (IR)
Corporate RTO
Karachi

Subject: Request for Issuance of Performance Evaluation Report under Rule 211(2)(g) of IT Rules 2002 in respect of Approval u/s 2(36) of the IT Ordinance.

Respected Sir,

1. We, Transparency International Pakistan are engaged in the fight against corruption as Trust duly registered under Trust Act, 1882 vide registration No. 396.
2. In accordance with the Law, we have made an application for grant of approval to our Organization u/s 2(36) of the Income Tax Ordinance, 2001 to the Commissioner (IR), Zone-1, CRTO Karachi.
3. We have been directed the office of the Worthy Commissioner (IR), Zone-I, CRTO, Karachi to furnish a Performance Evaluation Report issued by the Worthy CCIR under Rule 211(2)(g) of the Income Tax Rules, 2002.
4. In the light of above, we hereby request your honor to kindly evaluate our performance for achieving our aims and objectives.

Your favorable action will be highly appreciated.

Thanks & Regards,



Syed Adil Gilani
Managing Director



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E-mail: ti.pakistan@gmail.com
Website: www.transparency.org.pk

Dated: July 6th, 2020

The Chief Commissioner (IR)
Corporate RTO
Karachi

Subject: Unutilized Funds

Dear Sir,

In reference to the grant received from donors, there are no unutilized funds.



Syed Adil Gilani
Managing Director

2(36)(c) (Order to grant / refuse / maintain / withdraw approval to Non-Profit Organization)**Name:** M/S TRANSPRAENCY INTERNATIONAL PAKISTAN
TRUS (N.G.O)**Address:** C/65, PHASE 2 DEFENCE HOUSING AUTHORITY**Registration** 2289153**Tax Year :** 2020**Period :** 01-Jul-2019 - 30-Jun-2020**Medium :** Online**Due Date :** 04-Dec-2019**Document** 04-Dec-2019**Contact No:** 00923233258380

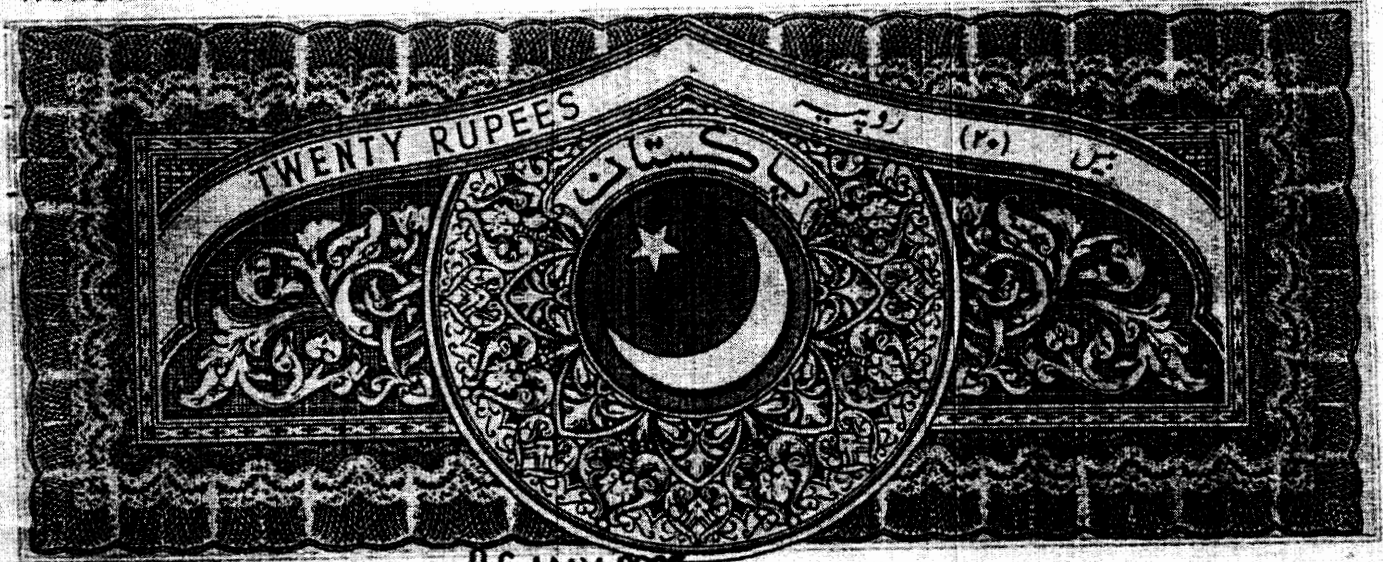
100000064853584

in exercise of the powers vested in me under sub-clause (c) of clause (36) of section 2 of the Income Tax Ordinance, 2001 read with Rule 214 and Rule 220 of the Income Tax Rules, 2002, renewal is hereby granted to the subject taxpayer as "Non Profit Organization". Any income generated from any business activity carried on by the taxpayer is not exempt by virtue of this approval. The donors are entitled to tax credit in their deemed assessment order u/s. 120(1)(a) in terms of section 61 of the Income Tax Ordinance, 2001.

This approval is accorded subject to submission of performance evaluation report for the last three years from approved agency / Authority.

This approval is valid upto 30-06-2020 unless cancelled or revoked earlier.

Asma Aftab
Commissioner
Inland Revenue, Zone-I
RTO (CORPORATE) KARACHI, TAX HOUSE SHARAH E KAMAL ATA TURK KARACHI



06 MAY 2005

HASHMIA A STAMP VENDOR

License No. 57, Al-Al-Yousli Market

33/38

M. M. Saad Ahmed
[Handwritten signatures and scribbles]



CERTIFIED TRUE COPY

(Enclosed Photographs of the original)

Registered at No. 396.

Book No. IV

Territorial Division No. 81.

Date of Registration 24-08-2002.

M.F. Roll No. 11-47441-912.

M.F. Date 11-09-2002.

This Certified copy has been granted to Nooruddin Ahmed (Transparency International) *Trust deed.*
for Record Purpose only. *Pakistan-Treas*
Application No. 513 dated 05-05-2005.

[Signature]
Micro Filming Officer
and Photo-Registrar
Karachi

REGISTRATION DEPARTMENT
GOVERNMENT OF SINDH

[Handwritten initials]





Federal Board of Revenue
Revenue Division - Government of Pakistan



120 (Order to make Self assessment)

Name: M/S TRANSPRAENCY INTERNATIONAL PAKISTAN
TRUS (N.G.O)

Registration No 2289153

Tax Year : 2019

Address: C/65, PHASE 2 DEFENCE HOUSING AUTHORITY

Period : 01-Jul-2018 - 30-Jun-2019

Medium : System

Due Date : 26-Sep-2019

Contact No: 00923233258380

Document Date 26-Sep-2019



100000059288935

Description	Code	Amount
Total Income	9000	918,389.00
Taxable Income	9100	918,389.00
Tax Chargeable	9200	25,919.00
Refundable Income Tax	9210	255,870.00

This is not a valid evidence of being a "filer" for the purposes of clauses (23A) and (35C) of sections 2 and 181A.

--

Receipts / Deductions				
Description	Code	Total Amount	Amount Exempt from Tax / Subject to Fixed / Final Tax	Amount Subject to Normal Tax
Income / (Loss) from Other Sources	5000	918,389.00	0.00	918,389.00
Receipts from Other Sources	5029	1,020,432.00	0.00	1,020,432.00
Other Receipts	5028	1,020,432.00	0.00	1,020,432.00
Deductions from Other Sources	5089	102,043.00	0.00	102,043.00
Other Deductions	5088	102,043.00	0.00	102,043.00
Adjustable Tax				
Description	Code	Receipts / Value	Tax Collected / Deducted	Tax Chargeable
Adjustable Tax	640000	0.00	281,789.00	0.00
Cash Withdrawal from Bank u/s 231A	64100101	0.00	1,365.00	0.00
Cash Withdrawal from Bank u/s 231A - 08021362501 - 1. Account 2. Saving 3. Standard Chartered	64100101	0.00	525.00	0.00
Cash Withdrawal from Bank u/s 231A - 53011592176120 - 1. Account	64100101	0.00	840.00	0.00

120 (Order to make Self assessment)

Name: M/S TRANSPRAENCY INTERNATIONAL PAKISTAN
TRUS (N.G.O)

Registration No 2289153

Tax Year : 2019

Address: C/65, PHASE 2 DEFENCE HOUSING AUTHORITY

Period : 01-Jul-2018 - 30-Jun-2019

Medium : System

Due Date : 26-Sep-2019

Contact No: 00923233258380

Document Date 26-Sep-2019



10000059288935

Adjustable Tax				
Description	Code	Receipts / Value	Tax Collected / Deducted	Tax Chargeable
2. Saving				
3. Sindh Bank Ltd	64100101	0.00	840.00	0.00
Telephone Bill u/s 236(1)(a)	64150001	0.00	68,630.00	0.00
Telephone Bill u/s 236(1)(a) - 35311857-6 - PTCL	64150001	0.00	22.00	0.00
Telephone Bill u/s 236(1)(a) - 35311856-9 - PTCL	64150001	0.00	22.00	0.00
Telephone Bill u/s 236(1)(a) - 35311897-8 - PTCL	64150001	0.00	6,320.00	0.00
Telephone Bill u/s 236(1)(a) - 35311898-5 - PTCL	64150001	0.00	1,612.00	0.00
Telephone Bill u/s 236(1)(a) - 35317791-7 - PTCL	64150001	0.00	32.00	0.00
Telephone Bill u/s 236(1)(a) - 35317784-5 - PTCL	64150001	0.00	22.00	0.00
Telephone Bill u/s 236(1)(a) - 35311778-8 - PTCL	64150001	0.00	22.00	0.00
Telephone Bill u/s 236(1)(a) - 35390410-1 - PTCL	64150001	0.00	22.00	0.00
Telephone Bill u/s 236(1)(a) - 35381481-3 - PTCL	64150001	0.00	22.00	0.00
Telephone Bill u/s 236(1)(a) - 35390408-4 - PTCL	64150001	0.00	22.00	0.00
Telephone Bill u/s 236(1)(a) - 35390409 - PTCL	64150001	0.00	22.00	0.00
Telephone Bill u/s 236(1)(a) - 35311777 - PTCL	64150001	0.00	22.00	0.00
Telephone Bill u/s 236(1)(a) - K ELECTRIC - LA323498	64150001	0.00	60,468.00	0.00
Internet Bill u/s 236(1)(d)	64150005	0.00	6,370.00	0.00
Internet Bill u/s 236(1)(d) - 210301073 - 1. Internet 2.Commercial	64150005	0.00	3,581.00	0.00
Internet Bill u/s 236(1)(d) - Internet - 1. Internet 2. Commercial	64150005	0.00	2,789.00	0.00
Domestic Air Ticket Charges u/s 236B	64150201	0.00	59,076.00	0.00
Functions / Gatherings Charges u/s 236D	64150401	0.00	146,348.00	0.00
Computations				
Description	Code	Total Amount	Amount Exempt from Tax / Subject to Fixed / Final Tax	Amount Subject to Normal Tax
Income / (Loss) from Other Sources	5000	918,389.00	0.00	918,389.00
Total Income	9000	0.00	0.00	918,389.00
Taxable Income	9100	0.00	0.00	918,389.00



120 (Order to make Self assessment)

Name: M/S TRANSPRAENCY INTERNATIONAL PAKISTAN
TRUS (N.G.O)

Registration No 2289153

Tax Year : 2019

Address: C/65, PHASE 2 DEFENCE HOUSING AUTHORITY

Period : 01-Jul-2018 - 30-Jun-2019

Medium : System

Contact No: 00923233258380

Due Date : 26-Sep-2019

Document Date 26-Sep-2019



100000059288935

Computations				
Description	Code	Total Amount	Amount Exempt from Tax / Subject to Fixed / Final Tax	Amount Subject to Normal Tax
Tax Chargeable	9200	0.00	0.00	25,919.00
Normal Income Tax	920000	0.00	0.00	25,919.00
Withholding Income Tax	9201	0.00	281,789.00	0.00
Refundable Income Tax	9210	0.00	0.00	255,870.00

Attributes

Attribute	Value
Decision	Granted / Accepted
Business Sector-2	
Business Sector-3	
Business Sector-4	
Business Sector-5	

Attachments

Financial Statement for the year ended June 30, 2019.pdf

Muhammad Anique uz zaman Khan
Assistant / Deputy Commissioner (Enforcement & Collection)
Inland Revenue, Unit-IV, Range-II, Zone-I
RTO (CORPORATE) KARACHI, TAX HOUSE SHARAH E KAMAL ATA TURK KARACHI



Federal Board of Revenue
Revenue Division - Government of Pakistan



120 (Order to make Self assessment)

Name: M/S TRANSPRAENCY INTERNATIONAL PAKISTAN
TRUS (N.G.O)

Address: C/65, PHASE 2 DEFENCE HOUSING AUTHORITY

Contact No: 00923233258380



100000059288935

Registration No 2289153

Tax Year : 2019

Period : 01-Jul-2018 - 30-Jun-2019

Medium : System

Due Date : 26-Sep-2019

Document Date 26-Sep-2019

Assurance Department

**CITIZEN VOICE AGAINST CORRUPTION AND ENABLING
IMPACT (TRANSPARENCY INTERNATIONAL PAKISTAN)
FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2019**



RSM Avais Hyder Liaquat Nauman
Chartered Accountants

407, Progressive Plaza, Beaumont Road
Karachi, 75530 - Pakistan

T: +92 (21) 35655975-6

F: +92 (21) 3565-5977

W: www.rsmpakistan.pk

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF TRUSTEES

Opinion

We have audited the annexed financial report of the projects 'Citizens Voice Against Corruption and Enabling Impact' (here in after referred to as the projects) of Transparency International Pakistan funded by Australian Department of Foreign Affairs and Trade (here in after referred as DFAT) for the year ended December 31, 2019 and notes to the financial report, including a summary of significant accounting policies.

In our opinion, the accompanying financial report presents fairly, in all material respects, the receipts and expenditure of Citizens Voice against Corruption and Enabling Impact for the year ended December 31, 2019 in accordance with the basis of accounting described in the note 2.

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditors Responsibilities for the Audit of the Financial Report 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 Report

Management is responsible for preparation and fair presentation of the financial report in accordance with the basis of accounting described in Note 2; this includes determining that the receipts and expenditure basis of accounting is an acceptable basis for the preparation of the financial report in the circumstances, and for such internal control as management determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Report

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

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 report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

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 Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represent the underlying transactions and events in a manner that achieves fair presentation.

Adnan Zaman
Chartered Accountants
Karachi
Dated: 13.5.2019
Engagement partner: Adnan Zaman

Financial Report
2016-2019 Regional Programme
Australian Department of Foreign Affairs and Trade (DFAT)

Chapter Name: Transparency International Pakistan
Contact Person: Syed Adil Gilani

Project Name: Citizens Voice Against Corruption (CVAC)
Period: January 01, 2019 - December 31, 2019

SECTION 1: Payments Received

Date (dd/mm/yyyy)	In Euros	In Local Currency
15/02/2019	16,017	2,511,305
20/05/2019	18,770	3,079,782
08/11/2019	2,900	497,756
		6,088,843
Transfer from another project (Enabling impact)	25/10/2019	57,649
TOTAL	37,687	6,146,492

SECTION 2: Expenditure

CATEGORY	Amounts in Euros		
	A. BUDGET	B. ACTUAL EXPENSES	VARIANCE
Staff Cost	15,835	15,483	352
Office rent	1,104	1,023	81
Furniture and computer equipment	500	476	24
Other support costs (office supplies, Electricity, Telephone, Internet, Water, courier, maintainance etc)	3,653	3,222	431
Travel	6,597	5,801	796
Publications	470	59	411
Communications	255	224	31
Conferences and workshops (except travel)	8,821	7,789	1,032
Other activity costs (citizen card study, social audit etc)	3,710	3,461	249
Audit cost	406	363	43
TOTAL PROJECT COSTS	41,351	37,901	3,450

AG

Chapter Name: Transparency International Pakistan
Contact Person: Syed Adil Gilani

Project Name: Enabling impact
Period: January 01, 2019 - December 31, 2019

SECTION 1: Payments Received

Date (dd/mm/yyyy)	In Euros	In Local Currency
15/02/2019	3,772	591,412
20/05/2019	234	38,395
TOTAL	4,006	629,807

SECTION 2: Expenditure

CATEGORY	AMOUNTS IN Euros		
	A. BUDGET	B. ACTUAL EXPENSES	Variance
Staff Cost	2,340	2,276	64
Office rent	306	272	34
Other support costs (office supplies,Electricity, Telephone, Internet, Water,courier, maintainance etc)	407	361	46
Travel	1,211	1,075	136
Publications	74	-	74
Communications	86	65	21
Other activity costs (Training of Staff)	188	167	21
TOTAL PROJECT COSTS	4,612	4,216	396



SECTION 3: Chapter's Certification

I certify that, to the best of my knowledge and belief:

(i) the figures in the Project Financial Report above for the period 1 January 2019 to 31 December 2019, have been prepared in accordance with the guidance notes and are fairly stated;

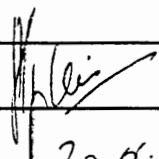
(ii) the amounts received as shown in Section 1 above were fully and solely expended on the project for which approval has been given by TI-S as set out in the Grant Agreement dated 15 July 2016, and exclude recoverable VAT (or any other tax recoverable by the grantee);

(iii) no other specific grants, other grants or contributions have been made or will be payable to the Grantee towards the expenditure included in the statement above;

(iv) the grant already received, plus any amount due to the Grantee in respect of 2019, does not exceed the agreed expenditure limits for the project in 2019 and complies with the conditions of project approval;

(v) An inventory of capital assets acquired using the grant is established and maintained in accordance with the Grant Agreement;

Signed by the highest authority within the Chapter (CEO, Managing Director, or equivalent).

Name: Syed Adil Gilani
Position: Managing Director
Signature: 
Date: 30.06.2020

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NOTES TO THE FINANCIAL REPORT

1 Organization and its Projects

Transparency International Pakistan (the Organization) was registered in Pakistan on May 2002, as a trust under Trust Act, 1882. The Organization is non-profit, non-partisan and non-government organization, whose aim is to fight corruption at national level.

Transparency International Pakistan received grant from Australian Department of Foreign Affairs and Trade (DFAT). A brief of the project activities undertaken under the project is listed below:

- On July 13, 2016 agreement for Effective and Accountable Governance for Sustainable Growth was signed for period of 3 years ending 30.09.2019.
- On July 29, 2016 Ammendment number 1 to the original agreement was signed for Anti-Corruption Agency Strengthening Initiative.
- On December 30, 2016 Ammendment number 2 to the original agreement was signed for extention of Anti-Corruption Agency Strengthening Initiative till March 15, 2017.

2 Basis of Preparation

The financial report has been prepared on cash basis of accounting. Under this basis, revenue is recognized when received rather than when earned, and expenses are recognized when paid rather than when incurred.

3 Summary of Significant Accounting Policies

3.1 Grant Recognition

Grant is recognized when it is received.

3.2 Expense Recognition

Under the cash basis of accounting expenses are recognized when they are paid rather then when they are incurred. Costs include expenses for the purposes of implementation of project activities as agreed under the respective agreements.

3.3 Translation of Currency

The operational currency is Pakistani Rupee. The presentation currency is Euro. Receipts and expenditure have been translated at the exchange rate realized at the time of encashment of foreign currency into local currency. Figures have been translated at the following exchange rates.

Average exchange rate for the period: Euro 1 = PKR 168.14

3.4 Reconciliation of Asset Register

Asset Register has been reconciled with the assets as set out in DFAT's requirements on Assets.

ASSURANCE DEPARTMENT

TRANSPARENCY INTERNATIONAL PAKISTAN
FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED DECEMBER 31, 2019

RSM Avais Hyder Liaquat Nauman
Chartered Accountants

407, Progressive Plaza, Beaumont Road
Karachi, 75530 - Pakistan

T: +92 (21) 35655975-6

F: +92 (21) 3565-5977

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INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF TRUSTEES ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying condensed statement of financial position of Transparency International Pakistan as at December 31, 2019 and the related condensed income statement, condensed statement of cash flows and condensed statement of changes in general fund and notes to the accounts for the six-month period then ended. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Other matter

The figures for the half year ended December 31, 2018 in the condensed interim income statement have not been reviewed and we do not express a conclusion on them.

RSM Avais Hyder Liaquat Nauman
Chartered Accountants

Karachi

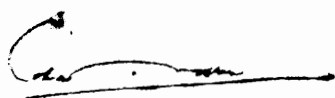
Dated: 17 MAR 2020

Engagement partner: Adnan Zaman

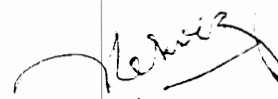
TRANSPARENCY INTERNATIONAL PAKISTAN
 CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (REVIEWED)
 AS AT DECEMBER 31, 2019

		December 31, 2019	June 30, 2019
	Note	Reviewed	Audited
		-----Rupees-----	
ASSETS			
NON CURRENT ASSETS			
Property, plant & equipments	4	1,166,244	1,242,494
CURRENT ASSETS			
Other receivables	5	159,553	211,529
Short term investment	6	33,000,000	10,500,000
Cash & bank balances	7	13,200,749	1,986,964
		46,360,302	12,698,493
TOTAL ASSETS		47,526,546	13,940,987
GENERAL FUND & LIABILITY			
Opening balance		10,425,193	10,239,859
Excess for the year		37,097,535	185,334
		47,522,728	10,425,193
CURRENT LIABILITIES			
Accrued and other payable	8	3,818	116,729
Deferred grant	9	-	3,399,065
TOTAL FUNDS AND LIABILITIES		47,526,546	13,940,987

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



Chairman / Trustee



Trustee

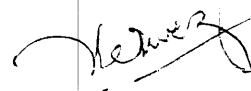
TRANSPARENCY INTERNATIONAL PAKISTAN
 CONDENSED INTERIM INCOME STATEMENT (REVIEWED)
 FOR THE HALF YEAR ENDED DECEMBER 31, 2019

	Note	December 31, 2019	December 31, 2018
		-----Rupees-----	
INCOME			
Grants	10	75,170,422	42,657,523
EXPENDITURE			
Donor's project related expenditure	11	(34,697,758)	(35,859,439)
		40,472,664	6,798,084
Other income	12	378,915	387,740
Administration and general expenses	13	(3,754,044)	(179,885)
EXCESS OF INCOME OVER EXPENDITURE		<u>37,097,535</u>	<u>7,005,939</u>

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



Chairman / Trustee



Trustee

TRANSPARENCY INTERNATIONAL PAKISTAN
 CONDENSED INTERIM STATEMENT OF CHANGES IN GENERAL FUND (REVIEWED)
 FOR THE HALF YEAR ENDED DECEMBER 31, 2019

	General Fund	Excess of income over expenditure	Endowment Fund	Total
	----- Rupees-----			
Balance as at June 30, 2018 (audited)	4,939,859	-	5,300,000	10,239,859
Excess of income over expenditure for the year ended June 30, 2019	-	185,334	-	185,334
Transfer to general fund	185,334	(185,334)	-	-
Balance as at June 30, 2019 (audited)	5,125,193	-	5,300,000	10,425,193
Excess of income over expenditure for the period ended December 31, 2019	-	37,097,535	-	37,097,535
Transfer to general fund	37,097,535	(37,097,535)	-	-
Balance as at December 31, 2019	42,222,728	-	5,300,000	47,522,728

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



Chairman / Trustee

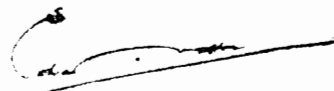


Trustee

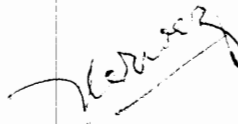
TRANSPARENCY INTERNATIONAL PAKISTAN
 CONDENSED INTERIM STATEMENT OF CASH FLOWS (REVIEWED)
 FOR THE PERIOD ENDED DECEMBER 31, 2019

	December 31, 2019	June 30, 2019
Note	-----Rupees-----	
CASH FLOW FROM OPERATING ACTIVITIES		
Excess of income over expenditure	37,097,535	185,334
Adjustment for non cash items:		
Depreciation	4 76,250	152,500
Accrued profit on investment	5 (159,553)	(53,297)
	37,014,232	284,537
Increase / decrease in current assets and liabilities:		
Decrease / (increase) in accounts receivable	51,976	(111,564)
(Decrease) / increase in deferred grant	(3,399,065)	(7,139,688)
(Decrease) / increase in accrued and other payable	46,642	59,362
Net cash flow from / (used in) operating activities (A)	33,713,785	(6,907,353)
CASH FLOWS FROM INVESTING ACTIVITIES		
Net cash flows from investing activities (B)	-	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Net cash flows from financing activities (C)	-	-
Net decrease in cash and cash equivalents (A+B+C)	33,713,785	(6,907,353)
Cash and cash equivalents at the beginning of the period	12,486,964	19,394,317
Cash and cash equivalents at the end of the period	14 46,200,749	12,486,964

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



 Chairman / Trustee



 Trustee

**TRANSPARENCY INTERNATIONAL PAKISTAN
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (REVIEWED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2019**

1. LEGAL STATUS AND ACTIVITIES

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

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared under the historical cost convention. The preparation of these condensed interim financial statements are in conformity with the Trust Deed, respective agreements entered into between the Organisation 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.

These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the financial statements of the Organisation for the year ended June 30, 2019. The figures for the half year ended December 31, 2019 have been subjected to limited scope review by the auditors.

The comparative condensed statement of financial position and condensed interim statement of cash flows, presented in this condensed interim financial statements, as at June 30, 2019 has been extracted from the annual audited financial statements of the Organisation for the year ended June 30, 2019 whereas the comparative condensed interim income statement, and condensed interim statement of changes in general fund for the half year ended December 31, 2018 have been extracted from the interim financial information for the half year ended December 31, 2018.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted for the preparation of this condensed interim financial statements are the same as those applied in preparing the financial statements of the Organisation for the year ended June 30, 2019.

The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of the annual audited financial statements for the year ended June 30, 2019 except those stated in note 15.

4. Property, plant & equipments

Particulars	C O S T			Rate	D E P R E C I A T I O N			Written Down Value as at Dec 31, 2019	
	As at July 01, 2019	Additions	Deletions		As at December 31, 2019	As at July 01, 2019	Adjustment		For the period
Office premises	3,050,000	-	-	5%	1,807,506	-	76,250	1,883,756	1,166,244
Total 2019	3,050,000	-	-		1,807,506	-	76,250	1,883,756	1,166,244

Particulars	C O S T			Rate	D E P R E C I A T I O N			Written Down Value as at June 30, 2019	
	As at July 01, 2018	Additions	Deletions		As at July 01, 2018	Adjustment	For the year		As at June 30, 2019
Office premises	3,050,000	-	-	5%	1,655,006	-	152,500	1,807,506	1,242,494
Total 2018	3,050,000	-	-		1,655,006	-	152,500	1,807,506	1,242,494

PKM

		December 31, 2019 Reviewed	June 30, 2019 Audited
	Note	-----Rupees-----	
5. OTHER RECEIVABLES			
Other receivable		-	158,232
Accrued profit on short term investment	6.1	<u>159,553</u>	<u>53,297</u>
		<u>159,553</u>	<u>211,529</u>
6. SHORT TERM INVESTMENTS			
Term deposit certificate - held to maturity	6.1	<u>33,000,000</u>	<u>10,500,000</u>
6.1	This represent term deposit receipts having a maturity period of one month & three month carrying markup 10.25% - 11.50% per annum.		
7. CASH AND BANK BALANCES			
Cash in hand		20,004	39,800
Cash at bank			
<i>Current accounts</i>			
Local currency account		<u>566,778</u>	<u>54,759</u>
		566,778	54,759
<i>Saving accounts</i>			
Local currency account		<u>2,215,978</u>	<u>1,874,388</u>
Foreign currency account		<u>10,397,989</u>	<u>18,017</u>
		12,613,967	1,892,405
		<u>13,200,749</u>	<u>1,986,964</u>
8. ACCRUED AND OTHER PAYABLE			
Payable on behalf of:			
-USAID Anti Fraud Hotline Project (AFH)		-	103,840
-Citizens Voice Against Corruption (CVAC)		-	12,889
Services tax		<u>3,818</u>	-
		<u>3,818</u>	<u>116,729</u>
9. DEFERRED GRANT			
	9.1	<u>-</u>	<u>3,399,065</u>
9.1	This represents the grant received in advance which pertains to the forthcoming financial year.		

		December 31, 2019 Reviewed	December 31, 2018 Unaudited
	Note	-----Rupees-----	
10. DONOR WISE PROJECT GRANT			
USAID Anti Fraud Hotline Project		71,273,600	35,981,405
Citizens Voice Against Corruption		3,644,940	3,744,405
Enabling Impact		251,882	641,288
PDVAYP		-	2,290,425
		<u>75,170,422</u>	<u>42,657,523</u>
11. DONOR WISE PROJECT EXPENDITURES			
USAID AFH	11.1	31,019,316	30,334,290
CVAC	11.2	3,427,662	2,805,026
Enabling Impact	11.3	250,780	548,337
PDVAYP	11.4	-	2,171,786
		<u>34,697,758</u>	<u>35,859,439</u>
11.1 USAID AFH			
Payroll expenses		24,552,843	13,268,740
Office running costs		743,151	2,291,311
Furniture and equipment		-	283,485
Local travel expenses		4,775	674,155
Communication expenses		465,182	547,896
Advertisement costs		4,635,740	11,049,079
Public events, bill boards, modalities & promotional materials		534,846	1,984,428
Other project costs		80,185	127,366
Audit fee		2,594	107,830
		<u>31,019,316</u>	<u>30,334,290</u>
11.2 Citizens Voice Against Corruption			
Payroll expenses		1,337,355	1,112,774
Local travel expenses		473,434	498,849
Communication		27,781	25,073
Office running costs		409,518	408,122
Promotional material		25,143	28,227
Activity cost		1,093,431	590,131
Publications charges		-	80,050
Audit fee		61,000	61,800
		<u>3,427,662</u>	<u>2,805,026</u>
11.3 Enabling Impact			
Payroll expenses		111,214	221,609
Local travel expenses		119,556	192,243
Communication		2,175	6,897
Office running costs		17,835	72,503
Staff capacity building		-	26,035
Publications charges		-	29,050
		<u>250,780</u>	<u>548,337</u>

	December 31, 2019 Reviewed	December 31, 2018 Unaudited
Note	-----Rupees-----	
11.4 PDVAYP		
Payroll expenses	-	280,799
Fringe benefits	-	-
Travel	-	209,569
Equipment	-	-
Office running costs	-	77,074
Other direct costs	-	1,604,344
	<u>-</u>	<u>2,171,786</u>
12. OTHER INCOME		
Exchange (loss) / gain	(688,875)	23,174
Interest income	982,148	354,105
Administrative support	38,875	3,142
Other income	28,036	7,319
Visa fee grant	18,731	-
	<u>378,915</u>	<u>387,739</u>
13. ADMINISTRATIVE AND GENERAL EXPENSES		
Depreciation	76,250	76,250
Project Manager	40,650	5,500
Analyst	-	22,000
Administration	183,650	-
Local travel expenses	267,441	-
International travel expenses	40,588	67,280
Communication	34,500	-
Public event inauguration	-	92
Office running cost	3,110,965	8,763
	<u>3,754,044</u>	<u>179,885</u>

	December 31, 2019 Reviewed	June 30, 2019 Audited
Note	-----Rupees-----	
7	13,200,749	7,494,317
6	<u>33,000,000</u>	<u>11,900,000</u>
	<u>46,200,749</u>	<u>19,394,317</u>

14. CASH AND CASH EQUIVALENTS

Cash and bank balances
Short term investments

15. INCONSISTENT CASH FLOW COMPARISON

The comparative figures of the statement of cash flows are inconsistent and non-comparable as the comparative figures used pertain to the audited statement of cash flows for the year ended June 30, 2019.

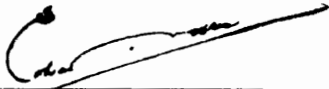
16. GENERAL

16.1 All figures have been rounded off to the nearest rupee.

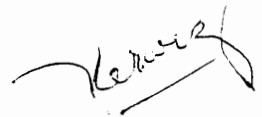
17. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorized for issue on -----
by the Board of Trustees of the Organization.

17 MAR 2020



Chairman / Trustee



Trustee