

**CENTRE FOR GOVERNANCE & PUBLIC
ACCOUNTABILITY (CGPA)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30th JUNE 2025**

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF CENTRE FOR GOVERNANCE & PUBLIC ACCOUNTABILITY (CGPA)
REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

Opinion

We have audited the annexed financial statements of **CENTRE FOR GOVERNANCE & PUBLIC ACCOUNTABILITY (CGPA)**, which comprises the Statement of Financial Position as at 30 June 2025, and the statement of income and expenditure, the statement of changes in fund, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion, and to the best of our information and according to the explanations given to us statement of financial position, and the statement of income and expenditure, the statement of changes in fund and the statement of cash flows together with the notes forming part thereof conform with Accounting and Reporting Standard as applicable in Pakistan and the Accounting Standard for Not for Profit Organizations (NPOs) issued by the Institute of Chartered Accountants of Pakistan, in the manner so required and respectively give a true and fair view of the state of the organization's affairs as at June 30, 2025 and of income and expenditure, the statement of changes in fund and the statement of cash flows for the year then ended.

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 4 of the financial statements, which describes the correction of a prior period error. In previous years, the organization had not recognized a deferred tax asset arising from temporary differences and restricted grants and grant receivables relating to different projects were inappropriately offset, resulting in the restatement of the comparative figures presented. Our opinion is not modified in respect of this matter.

Other Matter

The financial statements of the organization for the year ended 30 June 2024 were audited by another auditor, who expressed an unmodified opinion on the financial statements on 25 February 2024.

Responsibilities of Management and board of directors for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Accounting Standard for Not for Profit Organizations (NPOs) issued by the ICAP and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the 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.

Auditor's Responsibilities for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists.

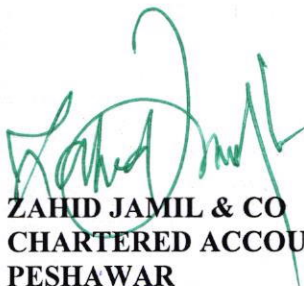
Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization 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 organization 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 organization 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 those charged with governance 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 Syed Ali Hasnain Shah.



ZAHID JAMIL & CO
CHARTERED ACCOUNTANTS
PESHAWAR

DATE: 22 JAN 2026



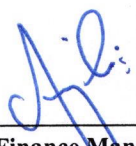
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CENTRE FOR GOVERNANCE & PUBLIC ACCOUNTABILITY
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025

| | | 2025 (Rupees) | 2024 (Rupees) (Restated) | 2023 (Rupees) (Restated) |
|--------------------------------------|------|-------------------|--------------------------------|--------------------------------|
| | NOTE | | | |
| ASSETS | | | | |
| NON-CURRENT ASSETS | | | | |
| Operating Fixed Assets | 5 | 583,117 | 647,907 | 719,897 |
| Long term security deposits | 6 | 450,000 | 450,000 | 450,000 |
| Deferred tax asset | 7 | 7,671,596 | 6,136,420 | 5,964,275 |
| | | 8,704,713 | 7,234,327 | 7,134,172 |
| CURRENT ASSETS | | | | |
| Grant receivable | 8 | 2,801,954 | 3,525,244 | - |
| Prepayments | 9 | 998,000 | 900,000 | 105,000 |
| Bank balances | 10 | 34,851,395 | 27,743,984 | 24,593,459 |
| | | 38,651,349 | 32,169,228 | 24,698,459 |
| TOTAL ASSETS | | 47,356,062 | 39,403,555 | 31,832,631 |
| FUND AND LIABILITIES | | | | |
| FUNDS | | | | |
| Accumulated surplus | | 9,068,337 | 9,251,046 | 8,252,966 |
| CURRENT LIABILITIES | | | | |
| Accrued and other liabilities | 11 | 268,686 | 524,147 | 2,904,340 |
| Restricted grant | 12 | 29,472,098 | 24,862,045 | 20,675,325 |
| Loan from director | 13 | 6,940,392 | 4,766,317 | - |
| Provisions for taxation | 14 | 1,606,550 | - | - |
| TOTAL LIABILITIES | | 38,287,726 | 30,152,509 | 23,579,665 |
| TOTAL FUNDS AND LIABILITIES | | 47,356,062 | 39,403,555 | 31,832,631 |
| CONTINGENCIES AND COMMITMENTS | 15 | - | - | - |

The annexed notes from 1 to 27 form an integral part of these financial statements.


Executive Director


Finance Manager

CENTRE FOR GOVERNANCE & PUBLIC ACCOUNTABILITY
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2025

| | NOTE | 2025 (Rupees) - | 2024 (Rupees) (Restated) |
|--|------|-----------------------|--------------------------------|
| INCOME | | | |
| Grant income | 16 | 147,931,668 | 144,126,779 |
| Other Income | 17 | 6,275 | 5,312 |
| | | 147,937,943 | 144,132,091 |
| EXPENDITURE | | | |
| Project expenses | 18 | (120,995,670) | (131,137,316) |
| Administrative expenses | 19 | (26,742,615) | (12,168,840) |
| Finance Cost | 20 | (11,453) | - |
| | | (147,749,738) | (143,306,156) |
| SURPLUS BEFORE MINIMUM TAX AND INCOME TAX | | 188,205 | 825,935 |
| Minimum Tax | 21 | (1,906,090) | - |
| SURPLUS/ (DEFICIT) BEFORE INCOME TAX | | (1,717,885) | 825,935 |
| Income Tax | 22 | 1,535,177 | 172,145 |
| SURPLUS/ (DEFICIT) AFTER TAXATION | | (182,708) | 998,080 |

The annexed notes from 1 to 27 form an integral part of these financial statements.


Executive Director


Finance Manager

CENTRE FOR GOVERNANCE & PUBLIC ACCOUNTABILITY
STATEMENT OF CHANGES IN FUND
FOR THE YEAR ENDED JUNE 30, 2025

| | <u>(RUPEES)</u> |
|--|-------------------------|
| Fund balance as at July 01, 2023-Restated | <u>8,252,966</u> |
| Surplus for the year | 998,080 |
| Fund balance as at June 30, 2024-Restated | <u>9,251,046</u> |
| Deficit for the year | (182,708) |
| Fund balance as at June 30, 2025 | <u><u>9,068,337</u></u> |

The annexed notes from 1 to 27 form an integral part of these financial statements.



Executive Director



Finance Manager

CENTRE FOR GOVERNANCE & PUBLIC ACCOUNTABILITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2025

| | 2025 (Rupees) | 2024 (Rupees) (Restated) |
|---|--------------------------------|---|
| CASH FLOW FROM OPERATING ACTIVITIES | | |
| Surplus for the year before taxation | 188,205 | 825,935 |
| Adjustments for non cash charges and other items | | |
| Depreciation | 64,790 | 71,990 |
| Finance cost | - | - |
| Amortization of Restricted grants | (147,931,668) | (144,126,779) |
| Cash flow before working capital changes | (147,678,673) | (143,228,854) |
| <i>(Increase)/Decrease in current assets</i> | | |
| Prepayments | (98,000) | (795,000) |
| <i>Increase / (decrease) in current liabilities</i> | | |
| Accrued & other liabilities | (255,461) | (2,380,193) |
| Cash flow after working capital changes | (148,032,134) | (146,404,047) |
| Tax Paid | (299,540) | |
| Net cash used in operating activities | (148,331,674) | (146,404,047) |
| CASH FLOW FROM INVESTMENT ACTIVITIES | | |
| Net cash flow from investing activities | - | - |
| CASH FLOW FROM FINANCIAL ACTIVITIES | | |
| Grant received during the year | 152,487,220 | 144,788,255 |
| Interest income on restricted grant | 777,791 | - |
| Loan from director | 2,174,075 | 4,766,317 |
| Net cash generated from financing activities | 155,439,086 | 149,554,572 |
| Net increase / (decrease) in cash and cash equivalents | 7,107,411 | 3,150,525 |
| Cash and cash equivalent at the beginning of the year | 27,743,984 | 24,593,459 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR | 34,851,395 | 27,743,984 |

The annexed notes from 1 to 27 form an integral part of these financial statements.


Executive Director


Finance Manager

CENTRE FOR GOVERNANCE & PUBLIC ACCOUNTABILITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

1. LEGAL STATUS AND NATURE OF BUSINESS

Centre for Governance and Public Accountability (CGPA) is a non partisan, non profit and non governmental organization, established in 2011 and registered under section 20 of Societies Act 1860. The organization works to help improve local governance and public accountability in Khyber Pakhtunkhwa. The head office of the organization is situated at 402, Block-C, City Tower , University road, Peshawar.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the approved accounting and financial reporting standards for Medium Sized Entities (AFRS for SMEs) as applicable in Pakistan issued by the International Accounting Standards Board and Accounting Standard for Not for Profit Organizations (NPOs) issued by the Institute of Chartered Accountants of Pakistan.

2.2 Basis of measurement

These financial statements have been prepared under historical cost convention.

2.3 Functional currency

These financial statements are prepared in Pakistani Rupees which is the Organization functional and presentation currency.

2.4 Use of estimates and judgements

The preparation of financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. In addition, it requires management to exercise judgement in the process of applying the Organization accounting policies. The areas involving a high degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are documented in the following accounting policies and notes, and relate primarily to:

- Useful lives, residual values and depreciation method of property, plant and equipment – Note 3.1
- Impairment loss of non-financial assets other than inventories – Note 3.2
- Estimation of provisions - Note 3.8

The revisions to accounting estimates (if any) are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES


3.1 Operating fixed assets

These are stated at cost less accumulated depreciation and impairment in value.

Depreciation on Operating fixed assets is calculating using reducing balance method to write-off the historical cost and capitalized exchange fluctuations over estimated remaining useful life of the assets. The useful life and depreciation method are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from items of operating fixed assets. Rates of depreciation are stated in note 5. Depreciation on additions to operating fixed asset is charged from the month in which an asset is available for use while no depreciation is charged for the month in which the asset is disposed off

Gains or losses on disposal or retirement of operating fixed assets are determined as the difference between the sale proceeds and the carrying amount of asset and are included in the statement of Income and Expenditure account.

Normal repairs and maintenance are taken to Statement of Income and Expenditure as and when incurred. Major renewals and replacements are capitalized and the assets so replaced, if any, other than those kept as stand-by, are retired.



CENTRE FOR GOVERNANCE & PUBLIC ACCOUNTABILITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

3.2 IMPAIRMENT OF NON-FINANCIAL ASSETS OTHER THAN INVENTORIES

The assets that are subject to depreciation or amortization are assessed at each reporting date to determine whether there is any indication that the assets are impaired. If there is an indication of possible impairment, the recoverable amount of the asset is estimated and compared with its carrying amount.

An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount. The impairment loss is recognized in the statement of Income and Expenditure, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

An impairment loss is reversed only to the extent that the asset carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. The Company recognizes the reversal immediately in the statement of profit or loss, unless the asset is carried at a revalued amount in accordance with the revaluation model. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

3.3 Grant recognition

- (i) Recurring Grants received from Government and other donors are recognized as income during the year of receipt.

(ii) Restricted grant

Grant received for specific purposes are classified as restricted Grant. Such Grants are transferred to income to the extent of actual expenditure incurred there against. Unspent portion of such Grant is reflected as Restricted grant in the statement of financial position.

Expenditure incurred against grant committed but not received is accrued and recognized in income and is reflected as Grant receivable where there is reasonable assurance that the Organization will comply with the conditions attached and that the grants will be received.

Grant that relate to purchase, construction, or otherwise acquisition of long-lived assets including intangible assets are recognized by the Grant as deferred income. Deferred income is recognized in the statement of income and expenditure on a systematic and rational basis over the shorter of project life or useful of the asset in case, project budget specifies purchase of asset necessary to meet the objectives of the grant contract for that specific period, then such purchase is treated as period cost .

Non monetary Grants that are intended to compensate the company for the specific cost is recognized systematically as income over the periods necessary to match those Grants with the cost that are intended to compensate non-monetary Grants are reported at fair value is determinable otherwise non monetary Grants are reported at nominal amounts.

Grants related to assets are presented in financial statements as "Deferred capital grant" and recognized in the statement of income and expenditure on a systematic basis over the period in which their related costs are recognized as "expenses" i.e. annual depreciation.

Grants other than for assets are recognized in the statement of income and expenditure of the year as "other income" to match the expenses covered against the grant.

Grants received from donors for specific purposes are used in accordance with the stipulations attached thereto.

- (iii) Grants if committed by donors but not received during the year are recorded as Accrued Grant Income.



CENTRE FOR GOVERNANCE & PUBLIC ACCOUNTABILITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

3.4 Financial instrument

Financial assets

3.1.1 Initial measurement

The Organization classifies its financial assets in the following three measurement categories:

- fair value through other comprehensive income (FVTOCI);
- fair value through profit or loss (FVTPL); and
- measured at amortized cost.

A financial asset is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

Subsequent Measurement

- Equity Instruments at FVTOCI

These assets are subsequently measured at fair value. Dividends are recognized as income in the statement of profit or loss. Other net gains and losses are recognized in statement of other comprehensive income and are never reclassified to the statement of Income nad Expenditure.

- Debt Instruments at FVTOCI

These assets are subsequently measured at fair value. Interest / mark-up income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in the statement of Income and Expenditure. Other net gains and losses are recognized in statement of other comprehensive income. On derecognition, gains and losses accumulated in statement of other comprehensive income are reclassified to the statement of Income and Expenditure.

- Debt Instruments at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest / mark-up or dividend income, are recognized in the statement of Income and Expenditure.

- Financial Assets measured at amortized cost

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest / mark-up income, foreign exchange gains and losses and impairment are recognized in the statement of Incoem nad Expenditure.

Derecognition

Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Organization has transferred substantially all risks and rewards of ownership.

3.1.2 Impairment of Financial assets

The Company assesses on a forward looking basis the expected credit loss (ECL) associated with its financial assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Further, the Company followed simplified approach to measuring ECL which uses a lifetime expected loss allowance for all trade and other receivables. Management used actual credit loss experience over past years for the calculation of ECL.

3.1.3 Financial liabilities

Classification & subsequent measurement

Financial liabilities are classified as measured at amortized cost or 'at fair value through profit or loss' (FVTPL). A financial liability is classified as at FVTPL if it is classified as held for trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in the statement of profit or loss.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in the statement of profit or loss. Any gain or loss on derecognition is also recognized in the statement of profit or loss.

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CENTRE FOR GOVERNANCE & PUBLIC ACCOUNTABILITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

Derecognition

Financial liabilities are derecognized when the contractual obligations are discharged or cancelled or have expired or when the financial liability's cash flows have been substantially modified.

3.1.4 Off-setting of financial assets and liabilities

Financial assets and financial liabilities are off-set and the net amount is reported in the statement of financial position if the Organization has a legally enforceable right to set-off the recognized amounts and intends either to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

3.5 Advances and prepayments

These are carried at fair value of the consideration to be received in future. An estimated provision is made against amounts considered doubtful of recovery. Whereas, amounts considered irrecoverable are written off.

3.6 Accrued and other liabilities

These are carried at cost which is the fair value of consideration to be paid in future for goods and services received, whether or not billed to the Organization.

3.7 Foreign currency transactions and translations

Transactions in foreign currencies are recorded at the rates of exchange ruling on the date of the transaction. All monetary assets and liabilities denominated in foreign currencies are translated into Pakistan Rupees at the rate of exchange ruling on the balance sheet date and exchange differences, if any, are charged in the statement of Income and Expenditure.

3.8 Provisions

Provisions are recognized when the Organization has a present obligation (legal or constructive) as a result of a past event, it is probable that the Organization will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.


Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value using a pre-tax discount rate. The unwinding of the discount is recognised as finance cost in the Statement of Income and Expenditure .

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

As the actual outflows can differ from estimates made for provisions due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amounts of provisions are reviewed at each reporting date and adjusted to take account of such changes. Any adjustments to the amount of previously recognised provision is recognised in the Statement of Income and Expenditure unless the provision was originally recognised as part of cost of an asset.

3.9 Contingent liabilities

Contingent liability is disclosed when there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the organization; or there is a present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.



CENTRE FOR GOVERNANCE & PUBLIC ACCOUNTABILITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

3.10 Taxation

The provision for current taxation is based on taxable income for the year determined in accordance with prevailing law for taxation on income at the applicable rates of taxation after taking into account tax credits and tax rebates, if any. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or in other comprehensive income. The Company recognized provision for income tax based on current estimates. However, where the final tax outcome is different from the amounts that were initially recorded, such differences impact the income tax provision in the period in which such determination is made.

3.11 Related party transactions

Transactions involving related parties arising in the normal course of business are conducted at normal commercial terms and conditions; related parties of the Company comprise of key management only.

3.12 Bank balances

Cash and cash equivalents are carried in the statement of financial position at cost. For the purpose of cash flow statement, cash and cash equivalents include cash in hand and with banks and short term bank finances. The fair value of cash and cash equivalents approximate their carrying amount.

4 RESTATEMENT OF COMPARATIVE INFORMATION

In accordance with Section 10 Accounting Policies, Estimates and Errors of the IFRS for SMEs, the organisation has restated its prior period financial statements to correct two material prior period errors.

1: In prior period restricted grants and grant receivables relating to different projects were inappropriately offset in the statement of financial position. Such offsetting did not meet the criteria under IFRS for SMEs as there was neither a legally enforceable right nor an intention to settle these balances on a net basis, resulting in an understatement of both assets and liabilities. The restatement has no impact on the organisation's surplus or deficit, fund, or cash flows for the periods presented.

2: In previous periods, the organization did not recognize deferred tax asset as required under IFRS for SMEs . This omission has been corrected retrospectively, and the comparative figures have been restated to reflect the appropriate recognition, measurement, and presentation of deferred tax balances.

| | Effect of Correction | | |
|---|------------------------|-------------------|-------------------|
| | As previously reported | Adjustments | As restated |
| | -----Rupees----- | | |
| Effect on the statement of financial position as at June 30,2023 | | | |
| Deferred tax asset | - | 5,964,275 | 5,964,275 |
| Accumulated surplus | 2,288,691 | 5,964,275 | 8,252,966 |
| | <u>2,288,691</u> | <u>11,928,549</u> | <u>14,217,240</u> |
| Effect on the statement of financial position as at June 30,2024 | | | |
| Deferred tax asset | - | 6,136,420 | 6,136,420 |
| Accumulated surplus | 3,114,626 | 6,136,420 | 9,251,046 |
| Grant receivables | - | 3,525,244 | 3,525,244 |
| Restricted grant | 21,336,801 | 3,525,244 | 24,862,045 |
| | <u>24,451,427</u> | <u>19,323,327</u> | <u>43,774,754</u> |
| Effect on the statement of Income and Expenditure for the year ended june 30, 2023 | | | |
| Income tax | - | 5,964,275 | 5,964,275 |
| Surplus for the year | 776,633 | 5,964,275 | 6,740,908 |
| | <u>776,633</u> | <u>11,928,549</u> | <u>12,705,182</u> |
| Effect on the statement of Income and Expenditure for the year ended june 30, 2024 | | | |
| Income tax | - | 172,145 | 172,145 |
| Surplus for the year | 825,935 | 172,145 | 998,080 |
| | <u>825,935</u> | <u>344,290</u> | <u>1,170,225</u> |

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CENTRE FOR GOVERNANCE & PUBLIC ACCOUNTABILITY
NOTES TO THE FINANCIAL STATEMENT
AS AT JUNE 30, 2025

5 OPERATING FIXED ASSETS

| PARTICULARS | COST | | | Rate % | DEPRECIATION | | | W.D.V As at 30-June-2025 |
|-------------------------------------|----------------------|--------------------------|-----------------------|-----------|----------------------|-----------------|-----------------------|--------------------------------|
| | As at 1-July-2024 | Addition / (Deletion) | As at 30-June-2025 | | As at 1-July-2024 | For the year | As at 30-June-2025 | |
| Computer & Printers | 1,155,429 | - | 1,155,429 | 10 | 783,548 | 37,188 | 820,736 | 334,693 |
| Furniture & Fixtures | 768,033 | | 768,033 | 10 | 517,991 | 25,004 | 542,995 | 225,038 |
| Books | 92,000 | - | 92,000 | 10 | 66,016 | 2,598 | 68,614 | 23,386 |
| Total June 30, 2025 (RUPEES) | 2,015,462 | - | 2,015,462 | | 1,367,555 | 64,791 | 1,432,345 | 583,117 |
| Total June 30, 2024 (RUPEES) | 2,015,462 | - | 2,015,462 | | 1,295,565 | 71,990 | 1,367,555 | 647,907 |

CENTRE FOR GOVERNANCE & PUBLIC ACCOUNTABILITY
NOTES TO THE FINANCIAL STATEMENT
AS AT JUNE 30, 2025

| | NOTE | 2025 (Rupees) | 2024 (Rupees) (Restated) |
|---|---|-------------------|--------------------------------|
| 6 LONG TERM SECURITY DEPOSITS | | | |
| Security with Tourism promotion services | 6.1 | 300,000 | 300,000 |
| Security with M/S Gas Zone filling station | 6.2 | 150,000 | 150,000 |
| | | <u>450,000</u> | <u>450,000</u> |
| 6.1 | The organization has provided a refundable security deposit to Hotel Tourism Promotion Services (Pak) Ltd. (Serena Hotel, Peshawar) against accommodation and related services obtained on a credit basis. The deposit is non-interest bearing and is recoverable upon termination of the agreement. | | |
| 6.2 | The organization has provided a refundable security deposit of PKR 150,000 to M/s Gas Zone Filling Station (Total Pump), Peshawar against fuel supplied on a credit basis for official travelling purposes. The deposit is non-interest bearing and is recoverable upon termination of the agreement. | | |
| 7 DEFERRED TAX ASSET | | | |
| Deferred tax liability- Opening | | 6,136,420 | 5,964,275 |
| Charged to profit or loss | | 1,535,177 | 172,145 |
| Charged to other comprehensive income | | - | - |
| | | <u>7,671,596</u> | <u>6,136,420</u> |
| 8 GRANT RECEIVABLE | | | |
| Nutrition International | 8.1&12.1 | 2,801,954 | - |
| Centre for International Private Enterprise | | - | 693,146 |
| National Rural Support Program | | - | 2,832,098 |
| | | <u>2,801,954</u> | <u>3,525,244</u> |
| 8.1 | During the year, the Organization incurred eligible project expenditures in excess of the restricted grant funds received from the donor. Accordingly, the excess amount of expenditure over fund has been recognized as Grant Receivable. | | |
| 9 PREPAYMENTS | | | |
| Prepaid Rent | | 948,000 | 900,000 |
| Advance paid to Hotel Hill View | | 50,000 | - |
| Advance to satff | | - | - |
| | | <u>998,000</u> | <u>900,000</u> |
| 10 CASH AND BANK BALANCES | | | |
| Cash at bank: | | | |
| - Current account | | 18,739,827 | 15,262,242 |
| - Savings account | 10.1 | 16,111,568 | 12,481,742 |
| | | <u>34,851,395</u> | <u>27,743,984</u> |
| 10.1 | These carry profit at the rates ranging from 8% to 9.5% (2024: 6% to 8%) per annum . | | |
| 11 ACCRUED AND OTHER LIABILITIES | | | |
| Utilities payable | | 168,686 | - |
| Audit Fee Payable | | 100,000 | 100,000 |
| Others | | - | 424,147 |
| | | <u>268,686</u> | <u>524,147</u> |
| 12 RESTRICTED GRANT | | | |
| Balance as at year ended 30 june 2025 | 12.2 | <u>29,472,098</u> | <u>24,862,045</u> |

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CENTRE FOR GOVERNANCE & PUBLIC ACCOUNTABILITY
NOTES TO THE FINANCIAL STATEMENT
AS AT JUNE 30, 2025

12.1 Detail of grants received during the year and Fund utilized during the year is as follows:

| Note | As at July 01, 2024 | Received during the year | Bank Profit | Funds utilized during the year | As at June 30, 2025 |
|----------------------------------|---------------------|--------------------------|----------------|--------------------------------|---------------------|
| | -----Rupees----- | | | | |
| Centre for International Private | (693,146) | 27,334,018 | - | (26,640,872) | - |
| Gesellschaft fur international | 13,139,629 | 80,133,784 | - | (74,683,956) | 18,589,457 |
| National Rural Support Program | (2,832,098) | 10,920,636 | - | (7,786,218) | 302,320 |
| National Endowment for Democracy | 11,722,416 | 31,719,712 | 511,758 | (33,373,565) | 10,580,321 |
| Nutrition International | 8 - | 2,379,070 | 266,033 | (5,447,057) | (2,801,954) |
| | - | 152,487,220 | 777,791 | (147,931,668) | 26,670,144 |

| | NOTE | 2025 (Rupees) | 2024 (Rupees) (Restated) |
|----------------------------------|------|-------------------|--------------------------------|
| 12.2 RESTRICTED GRANT | | | |
| Gesellschaft fur international | | 18,589,457 | 13,139,629 |
| National Rural Support Program | | 302,320 | - |
| National Endowment for Democracy | | 10,580,321 | 11,722,416 |
| | | 29,472,098 | 24,862,045 |

13 LOAN FROM DIRECTOR

Loan from director

| | | |
|-------------|------------------|------------------|
| 13.1 | 6,940,392 | 4,766,317 |
| | 6,940,392 | 4,766,317 |

13.1 The loan from director represents an unsecured, interest-free loan repayable on demand, provided by a director of the Company. In accordance with Technical Release 32 (TR-32) issued by the Institute of Chartered Accountants of Pakistan (ICAP), the loan is classified as a financial liability and measured at its face value.

14 PROVISION FOR TAXATION - NET

Opening

Advance income tax deducted during the year

Provison for Current tax

Closing

| NOTE | 2025 (Rupees) | 2024 (Rupees) (Restated) |
|------|--------------------|--------------------------------|
| | - | - |
| | 299,540 | - |
| | (1,906,090) | - |
| | (1,606,550) | - |

15 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at 30 June 2025. (2024: Nil)

16 GRANT INCOME

Grant income

| | | |
|-------------|--------------------|--------------------|
| 12.1 | 147,931,668 | 144,126,779 |
| | 147,931,668 | 144,126,779 |

17 OTHER INCOME

Bank profit

| | | |
|--|--------------|--------------|
| | 6,275 | 5,312 |
| | 6,275 | 5,312 |

CENTRE FOR GOVERNANCE & PUBLIC ACCOUNTABILITY
NOTES TO THE FINANCIAL STATEMENT
AS AT JUNE 30, 2025

| | NOTE | 2025 (Rupees) | 2024 (Rupees) (Restated) |
|---|------|--------------------|--------------------------------|
| 18 PROJECT EXPENSES | | | |
| Salaries, wages and other benefits | | 19,320,811 | 38,066,125 |
| Consultancy Charges | | 38,067,000 | 45,818,628 |
| Travelling & Lodging | | 24,123,458 | 26,546,016 |
| Awareness, Counseling and training sessions | | 26,273,780 | 14,634,927 |
| Office Supplies/Stationary/Tool Kits | | 8,017,035 | - |
| Meetings & Monitoring | | 10,879 | 1,825,439 |
| Communication & Postage | | 3,309,931 | 1,045,307 |
| Utilities | | 1,080,072 | 1,466,429 |
| Rent expense | | 618,000 | 928,060 |
| Vehicle fuel & Maintenance | | - | 493,920 |
| Overhead costs | | - | 181,225 |
| KPRA Charges | | - | 81,240 |
| Miscellaneous Expenses | | 174,704 | 50,000 |
| | | <u>120,995,670</u> | <u>131,137,316</u> |
| 19 ADMINISTRATIVE EXPENSES | | | |
| Salaries, wages and other benefits | | 18,375,024 | 4,662,233 |
| Overhead Cost | | 4,720,970 | 3,958,467 |
| Rent expense | | 1,848,000 | 1,020,000 |
| Office supplies & Stationary | | 682,936 | 1,650,879 |
| Legal & Professional charges | | 45,000 | 390,000 |
| Office repair & Maintenance | | 28,000 | 200,000 |
| Utilities | | 862,896 | 115,271 |
| Auditors' remuneration | 19.1 | 100,000 | 100,000 |
| Miscellaneous expenses | | 15,000 | - |
| Depreciation | 4 | 64,790 | 71,990 |
| | | <u>26,742,615</u> | <u>12,168,840</u> |
| 19.1 Auditors' remuneration | | | |
| Audit fee | | 90,000 | 90,000 |
| Out of pocket expense | | 10,000 | 10,000 |
| | | <u>100,000</u> | <u>100,000</u> |
| 20 FINANCE COST | | | |
| Bank Charges | | 11,453 | - |
| | | <u>11,453</u> | <u>-</u> |
| 21 MINIMUM TAX | | | |
| Current tax | | 1,906,090 | - |
| | | <u>1,906,090</u> | <u>-</u> |
| 22 INCOME TAX | | | |
| Deferred tax | | 1,535,177 | 172,145 |
| | | <u>1,535,177</u> | <u>172,145</u> |

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CENTRE FOR GOVERNANCE & PUBLIC ACCOUNTABILITY
NOTES TO THE FINANCIAL STATEMENT
AS AT JUNE 30, 2025

22 REMUNERATION OF KEY MANAGEMENT PERSONNEL

The aggregate amount showing in these financial statements in respect of remuneration includes certain benefits to the Executive Director of the Organization are given below:

| | Executive Director | |
|-------------------------|--------------------|------------------|
| | 2025 | 2024 |
| | -----Rupees----- | |
| Managerial remuneration | 7,775,060 | 3,598,506 |
| Total | 7,775,060 | 3,598,506 |
| Number os persons | 1 | 1 |

23 FINANCIAL INSTRUMENTS

23.1 Financial Instruments by category

| | 2025 Rupees | 2024 Rupees Restated |
|--|-------------------|----------------------------|
| Financial assets at amortized cost | | |
| Grant receivable | 2,801,954 | 3,525,244 |
| Long term security deposits | 450,000 | 450,000 |
| Cash and bank balances | 34,851,395 | 27,743,984 |
| | 38,103,349 | 31,719,228 |
| Financial Liabilities at amortized cost | | |
| Accrued and other liabilities | 268,686 | 524,147 |
| Loan from director | 6,940,392 | 4,766,317 |
| | 7,209,078 | 5,290,464 |

24 TRANSACTIONS WITH RELATED PARTIES

The related parties of the Organization comprise of associated undertakings, its directors and key management personnel. The Organization in the normal course of business carries-out transactions with various related parties. Amounts due from and to related parties and other transactions with them have been disclosed in the relevant notes to these financial statements .Other significant transactions are as follows:

24.1 TRANSACTION WITH RELATED PARTIES

| Name of party | Relationship with the Organization | Nature of Transaction | 2025 Rupees | 2024 Rupees |
|--------------------|------------------------------------|-----------------------------|----------------|----------------|
| Mr. Muhammad Anwar | Executive Director | Loan obtained from Director | 2,174,075 | 4,766,317 |

24.2 BALANCE WITH RELATED PARTIES

| Name of party | Relationship with the Organization | Nature of Balances | 2025 Rupees | 2024 Rupees |
|--------------------|------------------------------------|----------------------------|----------------|----------------|
| Mr. Muhammad Anwar | Executive Director | Payable in respect of loan | 6,940,392 | 4,766,317 |

25 NUMBER OF EMPLOYEES

| | 2025 | 2024 |
|-------------------------------------|-------------------|------|
| | -----Numbers----- | |
| Average number of employees | 9 | 12 |
| Number of employees at the June 30, | 9 | 12 |

26 DATE OF AUTHORIZATION FOR ISSUE

These financial statement are authorized for issue by the Executive committee of the organization on

21 JAN 2026

27 GENERAL

Figures have been rounded off to the nearest rupee.

CENTRE FOR GOVERNANCE & PUBLIC ACCOUNTABILITY
NOTES TO THE FINANCIAL STATEMENT
AS AT JUNE 30, 2025

27.1 CORRESPONDING FIGURES

Following material rearrangement have been made in these Financial Statement for better presentation.

Figures of the previous year have been re-arranged and reclassified wherever necessary for the purpose of comparison.

| Nature | From | To | 2024 Rupees |
|--|---|---|----------------|
| Security with Tourism promotion services | Security deposit | Long term security deposit | 300,000 |
| Security with M/S Gas Zone filling station | Security deposit | Long term security deposit | 150,000 |
| | Current Assets(Face of financial position) | Non Current Assets(Face of financial position) | |

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Executive Director


Finance Manager