TRANSPARENCY INTERNATIONAL SRI LANKA

FINANCIAL STATEMENTS

31 DECEMBER 2025

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with confidence

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INDEPENDENT AUDITOR'S REPORT
TO THE BOARD OF DIRECTORS OF TRANSPARENCY INTERNATIONAL SRI LANKA

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of Transparency International Sri Lanka, ("the Company"), which comprise the statement of financial position as at 31 December 2025, and the statement of comprehensive income, statement of changes in reserves and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2025, and of its financial performance and cash flows for the year then ended in accordance with Sri Lanka Accounting Standards for Small and Medium -sized Entities (SLFRS for SMEs).

Basis for opinion

We conducted our audit in accordance with Sri Lanka Auditing Standards (SLAuSs). 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 Company in accordance with the Code of Ethics issued by CA Sri Lanka (Code of Ethics) and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The Financial Statements of the Company for the year ended 31 December 2024 were audited by another auditor who expressed an unmodified opinion on those statements on 06 June 2025.

Responsibilities of Board and those charged with governance for the financial statements

The Board of Directors ("Board") is responsible for the preparation of these financial statements that give a true and fair view in accordance with Sri Lanka Accounting Standards for Small and Medium -sized Entities (SLFRS for SMEs), and for such internal controls as Board 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, Board is responsible for assessing the Company'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 Board either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

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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 SLAuSs 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 SLAuS, 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, if any, 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 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.

Report on other legal and regulatory requirements

As required by section 163 (2) of the Companies Act No. 07 of 2007, we have obtained all the information and explanations that were required for the audit and as far as appears from our examination, proper accounting records have been kept by the Company.

02 June 2026
Colombo

STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

ASSETS	Notes	2025 Rs.	2024 Rs.
Non-Current Assets			
Property, Plant and Equipment	8	5,596,558	4,361,698
Right-of-Use Asset	9	2,739,145	7,121,777
		8,335,703	11,483,475
Current Assets			
Other Receivables	11	2,610,201	6,766,741
Investments	12	41,956,420	39,396,538
Cash and Cash Equivalents	13.1	67,858,916	33,418,670
		112,425,537	79,581,949
Total Assets		120,761,240	91,065,424
FUNDING AND LIABILITIES			
Accumulated Funds			
Restricted Funds	14	35,712,599	(2,923,905)
Unrestricted Funds		67,521,025	63,070,128
Fixed Asset Grant Fund	15	5,605,937	4,361,400
		108,839,561	64,507,623
Non-Current Liabilities			
Retirement Benefit Obligation	16	4,069,235	5,860,562
Lease Liabilities	10	-	3,394,445
		4,069,235	9,255,007
Current Liabilities			
Accruals and Other Payables	17	4,190,198	4,796,344
Income Tax Payable	18.1	267,802	338,760
Lease Liabilities	10	3,394,445	5,036,305
Bank Overdraft	13.2	-	7,131,385
		7,852,445	17,302,794
Total Funding and Liabilities		120,761,240	91,065,424

I certify that the financial statements are in compliance with the requirements the of Companies Act No.7 of 2007.

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Senior Manager - Finance and Operations

The Board of Directors is responsible for these financial statements. Signed for and on behalf of the Board by,

.... Director

.... Director

The accounting policies and notes on pages 07 through 19 form an integral part of the Financial Statements.

ERNST & YOUNG Chartered Accountants COLOMBO
02 June 2026
Colombo

STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2025

	Notes	2025 Rs.	2024 Rs.
Incoming Resources	3	97,110,109	276,371,719
Operating Expenditure			
Project Expenditure	4	(61,431,152)	(221,309,110)
Administrative Expenditure	5	(40,736,243)	(61,001,556)
Net Surplus / (Deficit) on Operating Activities		(5,057,286)	(5,938,947)
Financial Income	6	5,356,870	5,866,850
Other Income	7	4,684,951	11,931,923
Net Surplus / (Deficit) Before tax		4,984,534	11,859,827
Income Tax Expenses	18	(1,702,547)	(1,947,256)
Net Surplus / (Deficit) After Tax		3,281,988	9,912,570
Other Comprehensive Income			
Actuarial (Loss) / Gain on Defined Benefit Plans	16	1,168,909	3,377,536
Total Comprehensive Surplus / (Deficit) for the Year		4,450,897	13,290,106

The accounting policies and notes on pages 07 through 19 form an integral part of the Financial Statements.

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STATEMENT OF CHANGES IN RESERVES

Year ended 31 December 2025

	Restricted Funds Rs.	Unrestricted Funds Rs.	Fixed Asset Grant Fund Rs.	Total Rs.
Balance as at 01 January 2024	28,829,164	49,780,022	2,915,445	81,524,631
Net Surplus/ (Deficit) for the Year	-	13,290,106	-	13,290,106
Funds Received During the Year	251,990,183	-	-	251,990,183
Additions During the Year	-	-	5,282,101	5,282,101
Amortisation during the year	-	-	(3,836,146)	(3,836,146)
Funds Transferred to Statement of Comprehensive Income	(276,371,719)	-	-	(276,371,719)
Funds Transferred to Unrestricted Funds	(7,371,533)	-	-	(7,371,533)
Balance as at 31 December 2024	(2,923,905)	63,070,128	4,361,400	64,507,623
Net Surplus/ (Deficit) for the Year	-	4,450,897	-	4,450,897
Funds Received During the Year	142,545,406	-	-	142,545,406
Addition During the Year	-	-	5,753,362	5,753,362
Amortisation During the Year	-	-	(4,508,826)	(4,508,826)
Funds Returned During the Year	(6,579,440)	-	-	(6,579,440)
Funds Transferred to Statement of Comprehensive Income	(97,110,109)	-	-	(97,110,109)
Funds Transferred to Unrestricted Funds	(219,354)	-	-	(219,354)
Balance as at 31 December 2025	35,712,599	67,521,025	5,605,937	108,839,561

The accounting policies and notes on pages 07 through 19 form an integral part of the Financial Statements.

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STATEMENT OF CASH FLOWS

Year ended 31 December 2025

	Notes	2025 Rs.	2024 Rs.
Cash flows from Operating Activities			
Net Surplus / (Deficit) Before Income Tax		4,984,534	11,859,827
Adjustments for:			
Depreciation of Property, Plant and Equipment	8.2	4,508,745	3,836,088
Depreciation of Leased Assets	9.2	4,382,631	4,382,631
Gratuity Provision	16	1,329,631	2,358,466
Amortization of Fixed Asset Grant Fund	15	(4,508,826)	(3,836,146)
Interest on Leases	10	343,695	629,817
Interest Income	6	(5,700,565)	(6,496,667)
Fixed Asset Disposal (Gain)/Loss		9,757	-
		5,349,603	12,734,016
Working Capital Changes			
(Increase)/Decrease in Receivables		4,156,542	(700,578)
Increase/(Decrease) in Payables		(606,146)	511,947
Cash Generated from Operations		8,899,998	12,545,385
Income Tax Paid	18.1	(1,773,505)	(3,138,604)
Gratuity Paid	16	(1,952,050)	(1,100,000)
Net Cash From/(used in) Operating Activities		5,174,443	8,306,781
Cash Flows From / (Used in) Investing Activities			
Investments		(2,559,882)	(3,155,062)
Interest Income	6	5,700,565	6,496,667
Net Cash Generated from Investing Activities		3,140,683	3,341,605
Cash flows from/(Used in) Financing Activities			
Funds Received from Donors Unutilized/(Over Utilized) for Projects	14	38,636,504	(31,753,069)
Repayments of Leases	10	(5,380,000)	(5,140,000)
Net cash generated from financing activities		33,256,504	(36,893,069)
Net (Decrease) / Increase in Cash and Cash Equivalents		41,571,630	(25,244,682)
Cash and Cash Equivalents at the Beginning of the Year	13	26,287,286	51,531,969
Cash and Cash Equivalents at the End of the Year	13	67,858,916	26,287,286

The accounting policies and notes on pages 07 through 19 form an integral part of the Financial Statements.

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1. CORPORATE INFORMATION

1.1 General

Transparency International Sri Lanka is a Company Limited by Guarantee and was incorporated on 23 March 2004 under the companies Act No. 17 of 1982. It was re-registered on 07 May 2009 under the Companies Act No. 07 of 2007.

The registered office of the Company is located at No. 366, Nawala Road, Nawala, Rajagiriya.

1.2 Principal Activities and Nature of the Company

Transparency International Sri Lanka is a national chapter of Transparency International (TI), The Leading global movement against corruption. Transparency International raises awareness of the damaging effects of corruption and works with partners in government, business and civil society to develop and implement effective measures to tackle it. Transparency International has an international secretariat in Berlin, Germany and more than 100 chapters worldwide.

Transparency International Sri Lanka commenced active operations at the end of 2002 and has since built a strong institution arduously fighting corruption in sri Lanka. It functions as a self-financing autonomous chapter of Transparency International with its own strategic directions and priorities.

1.3 Date of Authorization for Issue

The Financial Statements of the Company for the year ended 31 December 2025 was authorised by the Board of Directors on 02 June 2026.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 General Policies

2.1.1 Basis of Preparation

The Statement of Financial Position as at 31 December 2025 and Statement of Comprehensive Income, Statement of Changes in Reserves and Statement of Cash Flows, together with Accounting Policies and Notes to the Financial Statements for the year then ended comply with the Sri Lanka Accounting Standards for Small and Medium -sized Entities (SLFRS for SMEs).

The Financial Statements are presented in Sri Lanka Rupees and have been prepared on a historical cost basis.

2.1.2 Comparative Information

The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

2.1.3 Going Concern

The Financial Statements of the Company have been prepared on the assumption that the Company would be able to continue its operations in the foreseeable future. The Board of Directors of the Company has no intention either to liquidate or cease the operation in the near future.

2.1.4 Translation of Foreign Currency

The Financial Statements are presented in Sri Lanka Rupees, which is the Company's functional and presentation currency. Transactions in foreign currencies are initially recorded at the functional currency rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the Statement of Financial Position date. All differences are taken to the Statement of Comprehensive Income. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

2.1.5 Taxation

Current Taxes

The Boad of Directors of the Company is of the view that it does not come under the definition of a Non-Governmental Organizations (NGOs) as being a limited by Guarantee Company. Accordingly, the grants and donations received by the Company are not liable for income tax. Interest income is taxed at 30%.

2.2 Accounting for the Receipt and Utilisation of Funds

2.2.1 Funds

a) Unrestricted Funds

Unrestricted funds are those that are available for use by the Company at the discretion of the board, in furtherance of the general objectives of the Company and which are not designated for any specific purpose. Surplus funds are transferred to unrestricted funds in terms of the relevant donor agreements or with the subsequent approval of the Donor.

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b) Restricted Funds

Where grants are received for use in an identified project or activity, such funds are held in a restricted fund account and transferred to the Statement of Comprehensive Income account to match with expenses incurred in respect of that identified project. Unutilised funds are held in their respective fund accounts and included under Accumulated Funds in the Statement of Financial Position until such time as they are required.

Funds collected through a fund-raising activity for any specific or defined purpose are also included under this category.

Where approved grant expenditure exceeds the income received and there is certainty that the balance will be received such amount is recognised through debtors in the Statement of Financial Position.

The activities for which these restricted funds may and are being used are identified in the notes to the Financial Statements.

c) Fixed Asset Grant Funds

Where Plant & Equipment is purchased as a part of a project through restricted funds, if on conclusion of the project, the asset is not handed over to the beneficiary or returned to the original donor, the asset is valued on the conclusion of the project and brought into the Financial Statements under Plant and Equipment through a Donation Reserve. Depreciation provided on such assets will be charged against the reserve. For purpose of depreciation, the date of valuation for inclusion in the Financial Statements is considered to be the date of purchase.

2.3 Valuation of Assets and their Measurement Bases

2.3.1 Plant and Equipment

a) Cost

Plant and Equipment is stated at cost, excluding the costs of day to day servicing, less accumulated depreciation and accumulated impairment in value. Such cost includes the cost of replacing part of the plant and equipment when that cost is incurred, if the recognition criteria are met.

An item of Plant & Equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (Calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Comprehensive Income in the year the assets are derecognized.

The asset's residual values, useful lives and methods of depreciation are reviewed, and adjusted if appropriate on an annual basis.

b) Restoration Costs

Expenditure incurred on repairs and maintenance of Plant and Equipment in order to restore or maintain the future economic benefits expected from originally assessed standard of performance, is recognized as an expense when incurred.

c) Depreciation

Depreciation is provided on a straight-line basis.

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2.3.2 Receivables

Receivables are stated at the amounts they are estimated to realise net of provisions for bad and doubtful receivables.

2.3.3 Cash and Cash Equivalents

Cash and cash equivalents are defined as cash in hand and demand deposits readily convertible to identified amounts of cash and which are not subject to any significant risk of change in value.

For purpose of the Statement of Cash Flows, cash and cash equivalents consist of cash in hand and bank deposits, net of outstanding bank overdrafts.

2.4 Liabilities and Provisions

2.4.1 Retirement Benefit Obligations

The company has both defined benefits and defined contribution plans. A defined contribution plan is an employee retirement benefit plan under which the company pays fixed contributions to a separate entity. Defined benefit plans define an amount of employee benefit that an employee will receive on retirement, based on the years of service and compensation.

a) Defined Benefit Plan – Gratuity

Gratuity is a defined benefit plan. The Company is liable to pay gratuity in terms of the relevant statute.

A defined benefit plan is post-employment benefits plan other than a defined contribution plans - Employees' Provident Fund and Employees' Trust Fund. The liability recognised in the Statement of Financial Position in respect of defined benefit plans is the present value of the defined benefit obligation at the reporting date. The defined benefit obligation is calculated using the 'Projected Unit Credit method'. The present value of the defined benefit obligation is determined by discounting the estimated future cash flows using interest rates that are denominated in the currency in which the benefits will be paid, and that have terms of maturity approximating to the terms of the liability.

Provision has been made in the Financial Statements for retiring gratuities from the first year of service for all employees, in conformity with LKAS 19 - "Employee Benefits". Actuarial gain or losses are recognised in Other Comprehensive Income (OCI) in the period which it arises.

However, according to the Payment of Gratuity Act No. 12 of 1983, the liability for gratuity payment to an employee arises only after the completion of 5 years of continued service.

Liability is not externally funded nor actuarially valued. The item is grouped under Non –Current Liabilities in the statement of financial position.

b) Defined Contribution Plans – Employees' Provident Fund & Employees' Trust Fund

Employees are eligible for Employees' Provident Fund Contributions and Employees' Trust Fund Contributions in line with the respective statutes and regulations. The Company contributes 12% and 3% of gross emoluments of employees to Employees' Provident Fund and Employees' Trust Fund respectively.

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2.5 Lease

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

a) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

b) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments may also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

2.5 Statement of Comprehensive Income

2.5.1 Income Recognition

a) Incoming Resources

Income realised from restricted funds is recognised in the Statement of Comprehensive Income only when there is certainty that all of the conditions for receipt of the funds have been complied with and the relevant expenditure that it is expected to compensate has been incurred and charged to the Statement of Comprehensive Income. Unutilised funds are carried forward as such in the Statement of Financial Position.

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Gifts and donations received in kind are recognised at valuation at the time that they are distributed to beneficiaries, or if received for resale with proceeds being used for the purpose of the Company at the point of such sale. Items not sold or distributed are inventoried but not recognised in the Financial Statements. All other income is recognised when the Company is legally entitled to the use of such funds and the amount can be quantified. This would include income receivable through fund raising activities and donations.

b) Other Income

Interest earned is recognised on an accrual basis.Other income is recognised on an accrual basis.

2.5.2 Expenditure Recognition

Expenses in carrying out the projects and other activities of the Company are recognised in the Statement of Comprehensive Income during the period in which they are incurred. Other expenses incurred in administering and running the Company and in restoring and maintaining the Plant and Equipment to perform at expected levels are accounted for on an accrual basis and charged to the Statement of Comprehensive Income.

The Company has adopted the "Function of Expense" method to present fairly the elements of Company activities in its Statement of Comprehensive Income.

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3. INCOMING RESOURCES

	2025 Rs.	2024 Rs.
Restricted Funds	97,110,109	276,371,719
	97,110,109	276,371,719

4. PROJECT EXPENDITURE

	2025 Rs.	2024 Rs.
Staff Cost (Note 4.1)	37,866,310	52,995,819
Direct Project Cost (Note 4.1)	23,564,842	168,313,291
	61,431,152	221,309,110

4.1 PROJECT EXPENDITURE

Donor	Name of the Project	Year ended 31 December 2025 Staff Cost Rs.	Project Cost Rs.	Total Rs.
Bolstering Civil Society (BCS)	Leading the anti-corruption agenda towards good governance and socio-economic recovery	308,906	150,414	459,320
Clean Money in Elections (CME)	Increase the accountability of decision-makers for the transparency and equality of political finance	4,098,280	2,744,100	6,842,379
Foundation Open Society Policy Center - OSF (FOSI)	Promote good governance by addressing bribery & corruption, promoting transparency, and open government processes including through support to governance reforms for the benefit of the general public	13,204,300	1,513,989	14,718,289
Transparency International e.V. Secretariat - STRONGG (New)	Indo - Pacific partnership for strong, Transparent, Responsive and open Networks for Good Governance.	7,787,765	6,971,826	14,759,592
Internews Network	The Media and Civil Society Collaboration for Accountability.	1,414,792	483,843	1,898,636
EU System for an Enabling Environment for Civil Society (EU SEE)	Improve the capacity and ability of civil society partners	1,986,414	1,228,150	3,214,564
Journalism Development Network- Global Anti-Corruption Consortium (JDN- GACC)	Active Citizens for Transparent and Participatory Governance	6,941,533	6,440,925	13,382,459
UNCAC	UNCAC Parallel Report and Follow-up Advocacy	-	629,410	629,410
The Center for Law and Democracy - CLD	Empowering Women, Disadvantaged Groups, and Information Officers through the Right to Information (RTI)	565,419	1,688,358	2,253,778
Transparency International e.V. Secretariat - STRONGG - Sustainability	Organizational Susutainability Funding	1,218,367	185,881	1,404,249
Transparency International-Australia	Fiscal Transparency and Accountability Initiative	340,533	30,117	370,649
Regional Meeting		-	1,497,829	1,497,829
Total		37,866,310	23,564,842	61,431,152

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5. ADMINISTRATIVE EXPENDITURE

	2025 Rs.	2024 Rs.
Salaries	19,277,644	30,487,781
Office rent	1,316,710	1,731,730
Security	1,510,750	1,771,472
Telephone / internet charges	626,415	869,622
Insurance	196,841	171,295
Electricity	572,151	1,257,523
Janitorial charges	1,227,420	1,676,227
Office maintenance	343,683	478,129
IT maintenance	419,659	1,160,453
Travelling	168,499	773,424
Staff welfare	694,775	2,014,795
Printing and stationery	142,675	432,080
Secretarial fees	342,275	212,872
Water rates	109,887	149,146
Equipment maintenance	514,456	449,323
Postage, stamps and courier charges	18,900	9,955
Board meeting expenses	12,700	15,280
Vehicle maintenance	23,952	80,852
Accounting package maintenance	213,266	254,481
Legal expenses	371,950	1,211,484
Stamp duty	-	44,176
Audit fees - external audit	1,076,192	1,202,020
Audit fees - internal audit	299,147	575,358
Tax consultancy	283,023	293,909
Depreciation	4,508,745	3,836,088
Bank charges	179,031	267,999
Depreciation buildings (right-of-use asset)	4,382,631	4,382,631
Retirement benefit obligations cost	1,329,631	2,358,466
Other Expenses	123,236	134,188
Project Audit	450,000	2,698,797
	40,736,243	61,001,556

6. FINANCIAL INCOME

	2025 Rs.	2024 Rs.
Interest income	5,700,565	6,496,667
Interest expenses on lease liabilities	(343,695)	(629,817)
	5,356,870	5,866,850

7. OTHER INCOME

	2025 Rs.	2024 Rs.
Funds Transferred from Restricted Funds	219,354	7,371,533
Amortisation of Fixed Asset Grant Fund	4,508,826	3,836,146
Sundry Income	(43,229)	724,244
	4,684,951	11,931,923

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8. PROPERTY, PLANT AND EQUIPMENTS

8.1 At Cost

	Balance as at 01 January 2025 Rs.	Additions Rs.	Disposals Rs.	Balance as at 31 December 2025 Rs.
Furniture and Fittings	3,547,818	802,034	606,455	3,743,397
Motor Vehicles	363,750	-	-	363,750
Office Equipment	3,676,340	740,018	277,367	4,138,991
Computer Equipment	7,820,123	4,211,310	806,064	11,225,369
Total Gross Carrying Amount	15,408,030	5,753,362	1,689,886	19,471,507

8.2 Accumulated Depreciation

	Balance as at 01 January 2025 Rs.	Charge for the Year Rs.	Disposals Rs.	Balance as at 31 December 2025 Rs.
Furniture and Fittings	2,616,170	899,609	606,375	2,909,404
Motor Vehicles	363,750	-	-	363,750
Office Equipment	2,671,494	841,384	267,704	3,245,174
Computer Equipment	5,394,919	2,767,752	806,050	7,356,620
	11,046,333	4,508,745	1,680,129	13,874,948

8.3 Net Book Values

	2025 Rs.	2024 Rs.
Furniture and Fittings	833,993	931,648
Motor Vehicles	-	-
Office Equipment	893,817	1,004,846
Computer Equipment	3,868,749	2,425,204
	5,596,558	4,361,698

8.4 During the financial year, the Organization has acquired Property, Plant & Equipment to the aggregate value of Rs. 5,753,362/-(2024 - Rs.5,282,101/-).

9. RIGHTS-OF-USE ASSETS

9.1 At Cost

	2025 Rs.	2024 Rs.
Balance at the beginning of year	21,913,157	21,913,157
Addition During the Year	-	-
Balance at the end of year	21,913,157	21,913,157

9.2 Amortization

	2025 Rs.	2024 Rs.
Balance at the beginning of year	14,791,380	10,408,749
Amortization	4,382,631	4,382,631
Balance at the end of year	19,174,012	14,791,380
Carrying values at end of the Year	2,739,145	7,121,777

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10. LEASE LIABILITY

	2025 Rs.	2024 Rs.
Non current	-	3,394,445
Current	3,394,445	5,036,305
	3,394,445	8,430,751
Balance at the Beginning of Year	8,430,751	12,940,933
Lease Repayments	(5,380,000)	(5,140,000)
Interest Expense	343,695	629,818
Balance at the End of Year	3,394,446	8,430,751

11. OTHER RECEIVABLES

	2025 Rs.	2024 Rs.
Advance Given to Project Staff	338,148	185,202
Deposits and Prepayments	2,272,053	6,581,539
Receivable from Mr. T R U Priyankara	5,845,338	5,845,338
Provision for Impairment	(5,845,338)	(5,845,338)
	2,610,201	6,766,741

12. INVESTMENTS

	2025 Rs.	2024 Rs.
Fixed deposits	41,956,420	39,396,538
	41,956,420	39,396,538

13. CASH AND CASH EQUIVALENTS

13.1 Favorable Cash & Cash Equivalents Balance

	2025 Rs.	2024 Rs.
Cash at Bank	67,767,870	32,942,650
Cash in Hand	91,047	476,020
	67,858,916	33,418,670

13.2 Unfavorable Cash & Cash Equivalents Balance

	2025 Rs.	2024 Rs.
Cash at Bank	-	(7,131,385)
	-	(7,131,385)
Total Cash and Cash Equivalents for the Purpose of Statement of Cash Flows	67,858,916	26,287,286

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14. RESTRICTED FUNDS

	2025 Rs.	2024 Rs.
Balance at the Beginning of the Year	(2,923,905)	28,829,164
Funds Received During the Year	142,545,406	251,990,183
Funds Returned During the Year	(6,579,440)	-
Funds Transferred to Statement of Comprehensive Income	(97,110,109)	(276,371,719)
Funds Transferred to Unrestricted Funds	(219,354)	(7,371,533)
	35,712,599	(2,923,905)

14.1 Movements in Restricted Funds

Name of Donor Orgnisations	Balance at the Beginning of the Year	Funds Received During the Year	Funds Returned During the Year	Funds Transferred to Statement of Comprehensive	Funds Transferred to Unrestricted Funds	Balance at the end of the year
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
	A	B	C	D	E	F = A + B - C-D-E
Bolstering Civil Society (BCS)	(2,149,871)	3,066,989	-	(889,973)	(27,145)	-
Clean Money in Elections (CME)	2,685,819	11,516,600	-	(10,515,211)	-	3,687,208
Westminster Foundation for Democracy (WFD)	(1,191,004)	1,221,885	-	-	(30,881)	-
Foundation Open Society Policy Center - OSF (FOSI)	(9,059,998)	38,219,700	-	(29,159,702)	-	-
Common Wealth foundation	(989,638)	1,014,200	-	-	(24,563)	-
The Center For International Private Enterprise (CIPE)	(2,474,358)	2,484,926	-	-	(10,568)	-
Transparency International e.V. Secretariat - STRONGG (New)	3,219,841	20,083,839	-	(20,056,877)	-	3,246,803
Inter News	8,298,330	-	(6,194,940)	(2,073,295)	(30,096)	-
The Asia Foundation - PPPR	(1,229,782)	1,233,530	-	-	(3,748)	-
Neelan Tiruchelvam Trust (NTT)	384,500	-	(384,500)	-	-	-
EU System for an Enabling Environment for Civil Society (EU SEE)	(417,744)	6,230,097	-	(4,020,215)	-	1,792,138
Journalism Development Network- Global Anti-Corruption Consortium (JDN-GACC)	-	22,083,050	-	(18,842,823)	-	3,240,227
UNCAC	-	689,620	-	(629,410)	-	60,210
The Center for Law and Democracy - CLD	-	2,521,438	-	(2,429,084)	(92,354)	-
Foundation Open Society Policy Center - OSF (NEW)	-	18,179,600	-	-	-	18,179,600
Transparency International e.V. Secretariat - STRONGG - Sustainability	-	6,543,150	-	(6,154,319)	-	388,831
Transparency International-Australia	-	5,781,542	-	(729,743)	-	5,051,798
Regional Meeting	-	1,675,241	-	(1,609,457)	-	65,784
Total	**(2,923,905)**	**142,545,406**	**(6,579,440)**	**(97,110,109)**	**(219,354)**	**35,712,599**

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15. FIXED ASSET GRANT FUND

	2025 Rs.	2024 Rs.
Balance at the Beginning of Year	4,361,400	2,915,445
Addition During the Year	5,753,362	5,282,101
Amortisation During the Year	(4,508,826)	(3,836,146)
Balance at the End of Year	5,605,937	4,361,400

16. RETIREMENT BENEFIT OBLIGATIONS

	2025 Rs.	2024 Rs.
Balance at the Beginning of Year	5,860,562	7,979,632
Current Service Cost	920,662	1,736,454
Interest Cost	408,969	622,012
Acturial Loss / (Gain)	(1,168,909)	(3,377,536)
Payment Made During the Year	(1,952,050)	(1,100,000)
Balance at the End of Year	4,069,235	5,860,562

Amounts recognised in the statement of comprehensive income are as follows:

Current service cost	920,662	1,736,454
Interest cost	408,969	622,012
Actuarial loss / (gain)	(1,168,909)	(3,377,536)

Principal assumptions made in ascertaining the retirement benefit obligations as at the reporting date are as follows;

Discount rate	11%	11%
Salary increment rate	4%	3%
Staff turnover factor	95%	29%
Retirement age	60 years	60 years

17. ACCRUALS AND OTHER PAYABLES

	2025 Rs.	2024 Rs.
Employees Provident Fund	554,195	928,260
Employees Trust Fund	83,129	140,008
Advanced Personal Income Tax	198,265	787,568
Audit Fees	1,667,921	2,185,808
Salary control account	1,134,756	31,916
RTI hub	-	270,000
WHT	11,450	189,400
Others	270,725	27,500
Utilities	269,756	235,884
	4,190,198	4,796,344

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18. INCOME TAX EXPENSES

The Boad of Directors of the Company is of the view that it does not come under the definition of a Non-Governmental Organization's (NGOS) as being a limited by Guarantee Company. Accordingly the grants and donations received by the Company are not liable for income tax. Interest income is taxed at 30%.

	2025 Rs.	2024 Rs.
Taxable income	5,675,155	6,490,854
	5,675,155	6,490,854
Income tax at 30%	1,702,547	1,947,256

18.1 INCOME TAX PAYABLE

	2025 Rs.	2024 Rs.
Opening Balance	338,760	1,530,108
Income Tax Expenses	1,702,547	1,947,256
Tax Paid During the Year	(1,177,901)	(2,814,061)
WHT (Final payment)	(595,604)	(324,543)
Balance at the end of year	267,802	338,760

19. COMMITMENTS AND CONTINGENCIES

19.1 Contingent Liabilities

The Company does not have Significant Contingent Liabilities as at the Statement of Financial Position date.

20. TRANSACTION WITH MANAGEMENT PERSONNEL OF THE COMPANY

Key Management of the company include senior management committee being responsible for project Management, General Management and implementation of policy decisions. No Board of Directors Receive any salaries or other compensations.

	2025 Rs.	2024 Rs.
Short-Term Employee Benefits	9,470,736	14,062,860
Retirement Benefit Obligations	714,648	533,904
	10,185,384	14,596,764

21. EVENTS OCCURRING AFTER THE STATEMENT OF FINANCIAL POSITION DATE

There have been no material events occurring subsequent to the Statement of Financial Position date, that require adjustments to or disclosures in the financial statements.

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