

TRANSPARENCY INTERNATIONAL CAMBODIA

**Financial Statements
for the year ended 31 December 2024
and
Report of the Independent Auditors**

Organisation information

Organisation name	Transparency International Cambodia	
Operating License	1004 ម ឆ ណ	
Registered Office	No 13, Street 554, Village 10, Sangkat Boeung Kak1 Khan Toul Kork, Phnom Penh Kingdom of Cambodia	
Funding Agency	The Swedish International Development Cooperation Agency The European Union Transparency International e.V. (Secretariat) The U.S Agency for International Development OXFAM NOVIB International Foundation for Electoral Systems Tetra Tech International	
Board of Directors	Ms. Pok Bopha Marina Mr. Im Norin Ms. Srey Sotheavy Mr. Em Sovannara Ms. Peou Rathana Ms. Neou Sovattha Mr. Prak Chan Thul Ms. Oung Chanthol Ms. Khak Chenda	Chairwoman Vice-Chairman (appointed on 1 March 2025) Vice-Chairwoman (resigned on 28 February 2025) Member Member Member (appointed on 1 March 2025) Member (resigned on 28 February 2025) Member (resigned on 6 May 2024) Member (resigned on 4 May 2024)
Management	Mr. Sean Bunrith Mr. Pech Psiey	Interim Executive Director (appointed on 17 March 2025) Executive Director (resigned on 12 February 2025)
Principal bankers	Canadia Bank Plc. JTrust Royal Bank Plc. Hong Leong Bank (Cambodia) Plc.	
Auditors	KPMG Cambodia Ltd	

Transparency International Cambodia

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Report of the Board of Directors

The Board of Directors of Transparency International Cambodia (“TI Cambodia” or “the Organisation”) hereby submit their report together with the audited financial statements of the Organisation as at 31 December 2024 and for the year then ended.

The Organisation

Transparency International Cambodia was founded on 5 July 2010 and was officially registered with the Ministry of Interior on 6 July 2011. TI Cambodia is an accredited National Chapter of Transparency International. The mission of TI Cambodia is to work together with individuals and institutions at all levels to promote integrity and reduce corruption in Cambodia.

Principal activities

TI Cambodia’s strategic activities are in line with the United Nations Convention against Corruption’s (UNCAC) core chapters on preventive measures, law enforcement, international cooperation and implementing mechanism to promote and strengthen measures to prevent and combat corruption and to promote integrity and social accountability.

TI Cambodia’s strategic activities are also complementary to the efforts and commitments being made by the Anti-Corruption Unit (ACU) of the Government of the Kingdom of Cambodia set forth in the Anti-Corruption Strategic Foundation which requires a three-headed arrow to promote and fight corruption in Cambodia namely (1) public education, (2) prevention, and (3) enforcement of anti-corruption law.

The Board of Directors

Members of the Board of Directors during the year and at the date of this report are:

Ms. Pok Bopha Marina	Chairwoman
Mr. Im Norin	Vice-Chairman (appointed on 1 March 2025)
Ms. Srey Sotheavy	Vice-Chairwoman (resigned on 28 February 2025)
Mr. Em Sovannara	Member
Ms. Peou Rathana	Member
Ms. Neou Sovattha	Member (appointed on 1 March 2025)
Mr. Prak Chan Thul	Member (resigned on 28 February 2025)
Ms. Oung Chanthol	Member (resigned on 6 May 2024)
Ms. Khak Chenda	Member (resigned on 4 May 2024)

Transparency International Cambodia

Responsibilities of Directors in respect of the financial statements

The Board of Directors is responsible for ascertaining that the financial statements as set out on pages 6 to 34 give a true and fair view the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended. In preparing these financial statements, the Board of Directors oversees the preparation of these financial statements by managements who is required to

- adopt appropriate accounting policies which are supported by reasonable and prudent judgements and estimates and then apply them consistently;
- Comply with Cambodian International Financial Reporting Standard for Small and Medium-sized entities ("CIFRS for SMEs") or, if there has been any departures in the interests of true and fair presentation, ensure this has been appropriately disclosed, explained and quantified in the financial statements;
- Oversee the Organisation's financial reporting process and maintain adequate accounting records and an effective system of internal controls;
- Assess the Organisation'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 the board of director either intends to liquidate the Organisation or to cease operations, or has no realistic alternative but to do so; and
- Control and direct effectively the Organisation in all material decisions affecting the operations and performance and ascertain that such have been properly reflected in the financial statements.

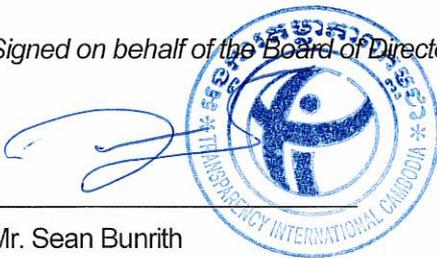
Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Organisation and to ensure that the accounting records comply with the applicable accounting system. They are also responsible for safeguarding the assets of the Organisation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Board of Directors confirms that the Organisation has complied with the above requirements in preparing the financial statements.

Approval of the financial statements

I do hereby approve the accompanying financial statements which, in my opinion, present fairly, in all material respects, the financial position of the Organisation as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with CIFRS for SMEs.

Signed on behalf of the Board of Directors in accordance with a resolution of the Boards:



Mr. Sean Bunrith
Interim Executive Director

Phnom Penh, Kingdom of Cambodia

Date: 30 June 2025



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Report of the Independent Auditors To the Donors of Transparency International Cambodia

Opinion

We have audited the accompanying financial statements of Transparency International Cambodia (“TI Cambodia” or “the Organisation”) which comprise the statement of financial position as at 31 December 2024, and the statements of comprehensive income, changes in reserves and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information as set out on pages 6 to 34 (hereafter referred to as “the financial statements”).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organisation as at 31 December 2024, and its financial performance and cash flows for the year then ended in accordance with Cambodian International Financial Reporting Standard for Small and Medium-sized Entities (“CIFRS for SMEs”).

Basis for Opinion

We conducted our audit in accordance with Cambodian International Standards on Auditing (“CISAs”). Our responsibilities under those standards are further described in the *Auditors’ Responsibilities for the Audit of the Statement* section of our report. We are independent of the Organisation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Cambodia, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Organisation is responsible for the other information. The other information comprises the information included in the Report of the Board of Directors set out on pages 1 to 2.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with CIFRS for SMEs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organisation'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 cease operations or has no realistic alternative but to do so.

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

Auditors' Responsibility 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 auditors' 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 CISAs 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 CISAs, 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 Organisation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organisation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Organisation 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.

For **KPMG Cambodia Ltd**

Taing YoukFong
Partner

Phnom Penh, Kingdom of Cambodia

30 June 2025

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Statement of comprehensive income for the year ended 31 December 2024

		2024		2023	
	Notes	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Income					
Unrestricted income	5	567,013	2,308,310	697,788	2,867,909
Restricted income	6	1,794,549	7,305,609	1,207,269	4,961,876
Other income	7	<u>3,195</u>	<u>13,007</u>	<u>3,039</u>	<u>12,490</u>
Total income		2,364,757	9,626,926	1,908,096	7,842,275
Expenditures					
Program activity costs	8	1,340,586	5,457,526	810,020	3,329,182
Personnel costs	9	760,419	3,095,666	808,114	3,321,349
Capital expenditure	10	56,489	229,967	34,645	142,391
Office running costs	11	95,561	389,029	114,597	470,994
Communication	12	16,375	66,663	18,991	78,053
Capacity development	13	32,851	133,736	19,684	80,901
Professional fee	14	24,258	98,754	34,550	142,001
Indirect costs	15	<u>3,129</u>	<u>12,738</u>	<u>4,129</u>	<u>16,970</u>
Total expenditures		<u>2,329,668</u>	<u>9,484,079</u>	<u>1,844,730</u>	<u>7,581,841</u>
Net surplus for the year		35,089	142,847	63,366	260,434
Item that will not be reclassified to profit or loss					
Other comprehensive income					
Currency translation difference		<u>-</u>	<u>(20,111)</u>	<u>-</u>	<u>(9,225)</u>
Total comprehensive income for the year		<u>35,089</u>	<u>122,736</u>	<u>63,366</u>	<u>251,209</u>

The accompanying notes form an integral part of these financial statements.

Transparency International Cambodia

Statement of financial position for the year ended 31 December 2024

	Notes	31 December 2024		31 December 2023	
		US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
ASSETS					
Current assets					
Cash and cash equivalents	16	526,567	2,119,432	391,801	1,600,507
Deposits and prepayments	17	630	2,536	1,632	6,667
Accrued income – donors	18	23,132	93,106	190,221	777,053
Advance to project partners	19	46,452	186,969	60,659	247,792
		596,781	2,402,043	644,313	2,632,019
Non-current assets					
Property and equipment	20	202,609	815,501	225,579	921,490
Security deposit		13,200	53,130	13,200	53,922
		215,809	868,631	238,779	975,412
TOTAL ASSETS		812,590	3,270,674	883,092	3,607,431
LIABILITIES AND RESERVES					
LIABILITIES					
Current liabilities					
Deferred income – donors	21	316,553	1,274,126	245,850	1,004,297
Payable to project partners	22	-	-	83,769	342,196
Other payables	23	73,455	295,655	99,785	407,622
Pension fund liabilities	24	85,344	343,510	151,539	619,037
Total liabilities		475,352	1,913,291	580,943	2,373,152
RESERVES					
Fund balance		337,238	1,377,126	302,149	1,233,911
Currency translation reserves		-	(19,743)	-	368
Total reserves		337,238	1,357,383	302,149	1,234,279
TOTAL LIABILITIES AND RESERVES		812,590	3,270,674	883,092	3,607,431

The accompanying notes form an integral part of these financial statements.

Transparency International Cambodia

Statement of changes in reserves for the year ended 31 December 2024

	Fund balance		Currency translation reserves		Total reserves	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
At 1 January 2024	302,149	1,234,279	-	368	302,149	1,234,279
Net surplus for the year	35,089	142,847	-	-	35,089	142,847
Currency translation difference	-	-	-	(20,111)	-	(20,111)
At 31 December 2024	<u>337,238</u>	<u>1,377,126</u>	<u>-</u>	<u>(19,743)</u>	<u>337,238</u>	<u>1,357,015</u>
At 1 January 2023	238,783	973,477	-	9,593	238,783	983,070
Net surplus for the year	63,366	260,434	-	-	63,366	260,434
Currency translation difference	-	-	-	(9,225)	-	(9,225)
At 31 December 2023	<u>302,149</u>	<u>1,233,911</u>	<u>-</u>	<u>368</u>	<u>302,149</u>	<u>1,234,279</u>

The accompanying notes form an integral part of these financial statements.

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Statement of cash flows for the year ended 31 December 2024

	Notes	2024		2023	
		US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
OPERATING ACTIVITIES					
Net surplus for the year		35,089	142,847	63,366	260,434
<i>Non-cash adjustments:</i>					
Depreciation		22,970	93,511	26,300	108,093
Interest income		(1,497)	(6,094)	(1,504)	(6,181)
Pension fund		101,927	414,945	95,192	391,239
<i>Changes in:</i>					
Deposit and prepayments		1,002	4,079	3,371	13,855
Advance to project partners		14,207	57,837	29,140	119,765
Accrued income – donors		167,089	680,219	(188,326)	(774,020)
Deferred income – donors		70,703	287,832	(349,947)	(1,438,282)
Payable to project partners		(83,769)	(341,024)	83,769	344,291
Other payables		(26,330)	(107,189)	17,558	72,163
		301,391	1,226,963	(221,081)	(908,643)
Interest received		1,497	6,094	1,504	6,181
Pension fund paid		(165,793)	(667,317)	(99,850)	(410,384)
National social security funds paid		(2,329)	(9,481)	-	-
Net cash generated from / (used in) operating activities		134,766	556,259	(319,427)	(1,312,846)
INVESTING ACTIVITY					
Purchase of property and equipment		-	-	(44,073)	(181,140)
Net cash used in investing activities		-	-	(44,073)	(181,140)
Net increase / (decrease) in cash and cash equivalents		134,766	556,259	(363,500)	(1,493,986)
Cash and cash equivalents at beginning of year		391,801	1,600,507	755,301	3,109,574
Currency translation difference		-	(37,334)	-	(15,081)
Cash and cash equivalents at end of year	16	526,567	2,119,432	391,801	1,600,507

The accompanying notes form an integral part of these financial statements.

Transparency International Cambodia

Notes to the financial statements as at and for the year ended 31 December 2024

These notes form an integral part of, and should be read in conjunction with the accompanying financial statements.

1. Background and activities

Transparency International (“TI”) is the global civil society Organisation leading the fight against corruption. It brings people together in a powerful worldwide coalition to end the devastating impact of corruption on men, women, and children around the world. TI’s mission is to create change towards a world free of corruption.

Transparency International Cambodia (“the Organisation” or “TI Cambodia”) was founded on 5 July 2010 and was officially registered with the Ministry of Interior on 6 July 2011. TI Cambodia is an accredited National Chapter of Transparency International. The mission of TI Cambodia is to work together with individuals and institutions at all levels to promote integrity and reduce corruption in Cambodia.

TI Cambodia’s strategic activities are in line with the United Nations Convention against Corruption’s (“UNCAC”) core chapters on preventive measures, law enforcement, international cooperation and implementing mechanism to promote and strengthen measures to prevent and combat corruption and to promote integrity and social accountability. TI Cambodia’s strategic activities are also complementary to the efforts and commitments being made by the Anti-Corruption Unit (“ACU”) of the Government of the Kingdom of Cambodia set forth in the Anti-Corruption Strategic Foundation which requires a three-headed arrow to promote and fight corruption in Cambodia namely (1) public education, (2) prevention, and (3) enforcement of anti-corruption law.

TI Cambodia receives core funding for the main strategic programme from the Swedish International Development Cooperation Agency (“SIDA”), for the period 1 January 2023 - 31 December 2024. TI Cambodia also receives funds for specific projects from TI-Secretariat (“TI-S”) and other donors.

The Organisation’s registered office is located at no.13, street 554, Sangkat Boeng Kak I, Khan Tuol Kork, Phnom Penh.

As at 31 December 2024, the Organisation employed 40 employees (31 December 2023: 38 employees).

2. Basis of preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with Cambodian International Financial Reporting Standard for Small and Medium-sized Entities (“CIFRS for SMEs”).

The financial statements of the Organisation were authorised for issue by the Board of Directors on 30 June 2025.

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Notes to the financial statements (continued) as at and for the year ended 31 December 2024

2. Basis of preparation (continued)

(b) Basis of measurement

The financial statements expressed in United States Dollars (“US\$”) have been prepared under the historical cost convention.

(c) Functional and presentation currency

The national currency of Cambodia is the Khmer Riel (“KHR”). However, as the Organisation transacts its operations and maintains its accounting records primarily in United States Dollars (“US\$”), management has determined US\$ to be the Organisation’s functional and presentation currency as it reflects the economic substance of the underlying events and circumstances of the Organisation.

These financial statements are presented in US\$, which is the Organisation’s functional currency. All amounts have been rounded to the nearest dollar, except otherwise indicated.

(d) Use of estimates and judgements

The preparation of the financial statements in conformity with CIFRS for SMEs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

3. Significant accounting policies

(a) Foreign currency translation

Transactions in currencies other than US\$ are translated into US\$ at the exchange rate ruling at the dates of the transactions. Monetary assets and liabilities denominated in currencies other than US\$ at the reporting date are translated into US\$ at the rates of exchange ruling at that date. Exchange differences arising on translation are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in other currency are translated using the exchange rate as at the respective dates of the initial transactions.

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Notes to the financial statements (continued) as at and for the year ended 31 December 2024

3. Significant accounting policies (continued)

(b) Recognition of income

TI Cambodia receives income mainly from grants, with residual amounts of funds being raised through individual donations, performance of charitable activities and finance income. Regardless of the origin of the income, all contributors to income are henceforth defined as “donors”. The recognition criteria for each category of income is detailed below.

(i) *Grant income*

Grant income is accounted for in accordance with Section 24 of CIFRS for SMEs. As such, income is recognised when (a) the grant proceeds are receivable, (b) performance conditions are met. TI Cambodia considers provision (a) met when the formal offer of funding is communicated in writing. Provision (b) is met when the activities required by the grant have been performed or the objectives upon which the grant is conditional have been met. When entitlement is dependent on certain specific performance conditions, funds are identified as “restricted or unrestricted” and recognised as income when conditions are satisfied. This is usually proportional to the relevant expenditure incurred. Grants received but not yet utilised are presented in the Statement of Financial Position as current liabilities under “deferred income - donors”; grants committed and utilised but not yet received in cash are presented within current assets under “accrued income - donors”.

(ii) *Individual donations*

Individual donations are recognised when they are deemed receivable. An individual donation is deemed to be receivable when actually received, e.g. in the case of voluntary cash payments collected via the TI Cambodia’s website; or when a contract is in place and any outstanding conditions under the contract have been met, e.g. contributions from legacies are recognised when the administrator confirms the transfer of title of the equity. Donations in kind, if any, are recognised at fair value when received using a reliable estimate of the cost of the donated goods or services.

(iii) *Finance income*

Finance income comprises interest income on deposits and placements and exchange rate gains. Interest income and realised exchange rate gains are recognised when TI Cambodia becomes entitled to them.

(c) Recognition of expenditure

Expenditure comprises operating expenditure incurred at TI Cambodia, operating expenditure incurred by project partners, and finance costs. The recognition criteria for each category of expenditure are detailed below.

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Notes to the financial statements (continued) as at and for the year ended 31 December 2024

3. Significant accounting policies (continued)

(c) Recognition of expenditure (continued)

(i) *Operating expenditure incurred at TI Cambodia*

Operating expenditure incurred at TI Cambodia consists generally of personnel costs, office running costs, travel costs and consultancy fees. Service and labour costs are recognised in line with the rendering of services and labour; purchases of goods are recognised when TI Cambodia acquires title to the property. Office running costs include leases, related to office space and equipment. Under current lease contracts, a significant portion of the risks and rewards of ownership are effectively retained by the lessor. As such, in accordance with Section 20, these are classified as operating leases, and the related payments are charged to the statement of comprehensive income on a straight-line basis over the period of the lease.

Program costs are fully charged for each activity incurred under the respective donor while the running costs, supporting staff costs are shared-cost to each donor based on the approved budget.

(ii) *Operating expenditure incurred by project partners*

A portion of TI Cambodia's expenditure is incurred by project partners that receive grants from TI Cambodia, mostly for the implementation of grant-funded projects.

Expenditure is accounted for when incurred by the partner. TI Cambodia estimates the expenditure incurred based on periodic reports issued by partners, which are assessed for accuracy and compliance with donor requirements and good accounting practice.

Grants disbursed but not yet spent by project partners are included in the Statement of Financial Position as "Advances to project partners".

(d) Classification of Expenditures

Program activity costs are direct expenditures charged to the projects funded by the respective donors. Other expenditures relating to personnel, capital expenditure, office running, communication, capacity development and professional fees are systematically allocated to projects and activities as per budget heading based on the available fund limit in the approved budget by the respective donors. Indirect overhead costs are charged to projects at a maximum of 9% of USAID-YPE, 10% USAID, 10% of TIS-Climate and 10% of IFES of total expenses respectively.

(e) Cash and cash equivalents

Cash and cash equivalents consist of cash and bank balances and deposits with banks with original maturities of three months or less and other highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

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Notes to the financial statements (continued) as at and for the year ended 31 December 2024

3. Significant accounting policies (continued)

(f) Other assets and other liabilities

Other assets and other liabilities are carried at amortised cost using the effective interest method in the statement of financial position.

(g) Property and equipment

(i) Recognition and measurement

The organisation capitalises all items of property and equipment with acquisition cost in excess of US\$1,000.

Items of property and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

When parts of an item of property and equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

Gains or losses on disposal of an item of property and equipment are determined by comparing the proceeds from disposal with the carrying amount of property and equipment and are recognised net within other income in profit or loss.

(ii) Subsequent cost

The costs of replacing a part of an item of property and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property and equipment are recognised in profit or loss as incurred.

(iii) Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation of equipment is charged to profit or loss on a straight-line basis over the estimated useful lives of the individual assets as follows:

<i>Class of assets</i>	<i>Years</i>
Office and IT equipment	3 – 5
Furniture and fixtures	5
Vehicles	7

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Notes to the financial statements (continued) as at and for the year ended 31 December 2024

3. Significant accounting policies (continued)

(g) Property and equipment (continued)

(iii) Depreciation (continued)

If there is an indication that there has been a significant change in the depreciation rate, useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

Disposals are recorded when the assets are scrapped or sold. Cost of maintenance is expensed as incurred.

(h) Intangible asset

Intangible asset comprises of computer software which is stated at historical cost less accumulated amortisation and impairment losses, if any. This is amortised using the straight-line method over an estimated useful life of three years. Costs associated with the maintenance of computer software are recognised as expenses when incurred.

(i) Impairment

At each reporting date, property and equipment and intangible asset are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

Similarly, at each reporting date, inventories are assessed for impairment by comparing the carrying amount of each item of inventory (or group of similar items) with its selling price less costs to complete and sell. If an item of inventory (or group of similar items) is impaired, its carrying amount is reduced to selling price less costs to complete and sell, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount (selling price less costs to complete and sell, in the case of inventories), but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of related assets) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

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Notes to the financial statements (continued) as at and for the year ended 31 December 2024

3. Significant accounting policies (continued)

(j) Operating leases

Leases when substantially all the rewards and risks of ownership of assets remain with the Lessor are accounted for as operating leases. Rental payable under operating leases are recognised in the statement of comprehensive income on a straight-line basis over the term of the relevant lease.

(k) Employee benefits

(i) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Organisation has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

A Seniority payment

Starting from 2019, the Organisation pays a fifteen days annual seniority payment to staff under unfixed duration contract in two instalments with half of the seniority payment (7.5 days) in June payroll and the remaining half (7.5 days) in December payroll of each year. Payments made by the Organisation are reported under Personnel costs in the statement of comprehensive income.

B Thirteen-month salary

The Organisation pays a thirteen-month salary which is equal to one month's salary to the employees under extended-term contract and open-ended contract at the time of Khmer New Year (at the end of March or in early April). To be eligible for this benefit, employees must have 12 months of continuous employment with the Organisation. For a period of employment shorter than 12 months, the thirteen-month salary is reduced pro rata based on the number of full months worked to date. Payments made by the Organisation are being reported under Personnel costs in the statement of comprehensive income.

C Paid annual leave

Full-time employees of the Organisation are entitled to 18 days (1 day increase every 3 years) paid annual leave each year. Annual leave is to be taken at a time mutually agreed by the employee and their immediate supervisor. Employees are encouraged to take their full entitlement of annual leave during each calendar year. A maximum of 9 days of unused annual leave per employee can be carried forward to the following calendar year and any unused leave remaining more than 12 months will be forfeited. If employment is terminated or an employee resigns, their accrued unutilised annual leave will be paid to the employee. On 21 October 2024, the board of directors approved to cancel providing the benefits on paid annual leave effective immediately.

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Notes to the financial statements (continued) as at and for the year ended 31 December 2024

3. Significant accounting policies (continued)

(k) Employee benefits (continued)

(ii) *Other long-term employee benefits*

The Organisation's net obligation in respect of long-term employee benefits is the amount of the benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Re-measurements are recognised in profit or loss in the period in which they arise.

A *Pension fund*

The Organisation sets up a provision for pension fund for employees immediately after their employment. The Organisation and staff contribute 10% each of the monthly salary to the pension fund scheme. The fund is maintained in a separate bank account maintained at J Trust Royal Bank under the Organisation's name. The fund will be paid to the staff at the end of their employment. Staff who have been working with the Organisation for less than two years are entitled to only the amount of their own contribution. During the employment, staff can advance their fund if they have been working with the Organisation for more than two years.

Contribution of 10% by the Organisation are reported under Personnel costs in the statement of comprehensive income.

(l) Provisions

Provisions are recognised if, as a result of a past event, the Organisation has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

(m) Income tax

No provision for income tax since TI Cambodia is registered as not-for-profit organisation which is subject to exempt from income tax under Article 9 of Cambodian Law on Taxation.

4. Translation of United States Dollars into Khmer Riel

The financial statements are expressed in United States Dollars ("US\$") which is the Organisation's functional currency. The translations of United States Dollars amounts into Khmer Riel ("KHR") meets the presentation requirements pursuant to Law on Accounting and Auditing and has been done in compliance with CIFRS for SMEs Section 30, *Foreign Currency Translation*.

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Notes to the financial statements (continued) as at and for the year ended 31 December 2024

4. Translation of United States Dollars into Khmer Riel (continued)

Assets and liabilities are translated at the closing rate as at the reporting. The statements of comprehensive income and cash flows are translated into KHR using the average rate for the year, which have been deemed to approximate the exchange rates at the date of transaction as exchange rates have not fluctuated significantly during the period. Exchange differences arising from the translation are recognised as “Currency translation reserves” in the other comprehensive income.

The Organisation uses the following exchange rates:

Financial year end			Closing rate	Average rate
31 December 2024	US\$1	=	KHR4,025	KHR4,071
31 December 2023	US\$1	=	<u>KHR4,085</u>	<u>KHR4,110</u>

The translation to Khmer Riel should not be construed as representations that the United States Dollars amounts have been, could have been, or could in the future be, converted into Khmer Riel at this or any other rate of exchange.

5. Unrestricted income

	2024		2023	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
The Swedish International Development Cooperation Agency and European Union (SIDA/EU)	<u>567,013</u>	<u>2,308,310</u>	<u>697,788</u>	<u>2,867,909</u>

This represents funding from SIDA for the project “Collective Actions Against Corruption 2023-2025”.

SIDA has committed a total fund of SEK6,710,235 (2023: SEK7,050,000) (equivalent to US\$641,722 as per Oanda’s exchange rate on 11 December 2023) to TI Cambodia for the year 2024. However, SIDA transferred to TIC only amount SEK5,300,000 in 2024 equivalent to US\$494,327 as per exchange rate on the fund receipt date. This resulted in TI Cambodia has received amount less than the committed amount of US\$11,592. In May 2025, SIDA has confirmed that the remaining reimbursable fund will not be transferred to TIC.

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Notes to the financial statements (continued) as at and for the year ended 31 December 2024

6. Restricted income

	2024		2023	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
The European Union (EU) (*)	59,716	243,104	547,246	2,249,181
U.S Agency for International Development (USAID) (*)	336,645	1,370,482	324,081	1,331,973
Transparency International Secretariat (TIS) – IPP Project IFES (*)	8,648	35,206	39,373	161,823
	41,663	169,610	38,796	159,451
TIS-SANCUS Project (*)	-	-	41,034	168,650
Oxfam Fair Trade	11,169	45,469	59,665	245,223
TIS-WSF	85,122	346,532	42,750	175,703
TIS-YWPA	19,699	80,195	43,689	179,562
USAID-2EP-HRD	883,413	3,596,374	48,791	200,531
USAID-YPE(*)	271,857	1,106,730	21,844	89,779
EU-RBC	17,298	70,420	-	-
TETRA TECH	44,730	182,095	-	-
EU-BELIEVE	14,589	59,392	-	-
	<u>1,794,549</u>	<u>7,305,609</u>	<u>1,207,269</u>	<u>4,961,876</u>

(*) Including in this income is indirect cost charged based on total expenses of fund from USAID-YPE (9%), USAID (10%), TIS-Climate (10%) and IFES (10%) (2023: USAID (10%), TIS-SANCUS (7%) and IFES (10%), TIS-WSF). The cost will be deducted from respective fund account to TI Cambodia's account annually. During 2024, there was indirect cost amounting to US\$70,282 (2023: US\$77,980).

7. Other income

	2024		2023	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Bank interest	1,497	6,094	1,504	6,181
Exchange gain	-	-	45	185
Other contributions	1,698	6,913	1,490	6,124
	<u>3,195</u>	<u>13,007</u>	<u>3,039</u>	<u>12,490</u>

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Notes to the financial statements (continued) as at and for the year ended 31 December 2024

8. Program activity costs

	2024																
	SIDA/EU	EU	USAID	Oxfam Fair Trade	TIS-IPP	TIS-SANCUS	TIS-WFS	TIS-YWPA	IFES	USAID-2EP-HRD	TIC	USAID YPE	EU-BELIEVE	EU-RBC	Tetra Tech	Total	
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	KHR'000 (Note 4)
Project monitoring and evaluation	37,176	-	28,333	-	4,000	-	22,046	-	18,529	153,171	21,589	13,759	3,042	-	1,716	303,361	1,234,983
Workshop and conference	19,990	-	136,917	2,390	-	-	23,154	301	2,798	540,335	24,137	169,823	4,067	1,614	1,412	926,938	3,773,565
Publication	1,681	-	2,295	-	-	-	14	-	-	-	-	-	-	-	-	3,990	16,243
Transportation	21,909	-	11,163	284	-	-	4,548	345	3,652	6,411	-	6,090	-	1,429	-	55,831	227,288
Other direct costs	1,189	-	29,828	420	-	-	3,518	-	4,164	5,304	1,353	4,644	-	46	-	50,466	205,447
	81,945	-	208,536	3,094	4,000	-	53,280	646	29,143	705,221	47,079	194,316	7,109	3,089	3,128	1,340,586	5,457,526

	2023																
	SIDA/EU	EU	USAID	Oxfam Fair Trade	TIS-IPP	TIS-SANCUS	TIS-WFS	TIS-YWPA	IFES	USAID-2EP-HRD	TIC	USAID YPE	EU-BELIEVE	EU-RBC	Tetra Tech	Total	
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	KHR'000 (Note 4)
Project monitoring and evaluation	65,295	4,776	25,784	27,474	10,606	13,325	7,765	6,000	2,051	-	-	-	-	-	-	163,076	670,242
Workshop and conference	62,575	201,270	139,507	9,431	10,125	-	3,005	37,456	8,655	31,263	808	20,778	-	-	-	524,873	2,157,228
Publication	4,292	-	1,759	-	-	-	-	-	1,300	-	-	-	-	-	-	7,351	30,213
Transportation	9,283	22,576	19,658	90	1,515	-	-	190	1,523	-	437	-	-	-	-	55,272	227,168
Other direct costs	14,379	6,034	24,731	2,491	6,543	1,522	-	-	3,748	-	-	-	-	-	-	59,448	244,331
	155,824	234,656	211,439	39,486	28,789	14,847	10,770	43,646	17,277	31,263	1,245	20,778	-	-	-	810,020	3,329,182

9. Personnel costs

	2024																
	SIDA/EU	EU	USAID	Oxfam Fair Trade	TIS-IPP	TIS-SANCUS	TIS-WFS	TIS-YWPA	USAID-2EP-HRD	USAID-YPE	IFES	TIC	EU-BELIEVE	EU-RBC	Tetra Tech	Total	
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	KHR'000 (Note 4)
Salary	297,087	-	61,620	4,997	3,312	-	18,522	-	112,324	36,758	3,564	16,359	5,083	11,248	35,236	606,110	2,467,474
Benefits	85,411	-	16,049	925	762	-	4,586	-	33,157	9,999	1,257	(8,113)	1,132	2,868	6,276	154,309	628,192
	382,498	-	77,669	5,922	4,074	-	23,108	-	145,481	46,757	4,821	8,246	6,215	14,116	41,512	760,419	3,095,666

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Notes to the financial statements (continued) as at and for the year ended 31 December 2024

9. Personnel costs (continued)

	2023															Total	KHR'000 (Note 4)
	SIDA/EU	EU	USAID	Oxfam Fair Trade	TIS-IPP	TIS-SANCUS	TIS-WFS	TIS-YWPA	USAID-2EP-HRD	USAID-YPE	IFES	TIC	EU-BELIEVE	EU-RBC	Tetra Tech		
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$		
Salary	329,187	197,047	46,877	15,840	4,663	17,356	21,593	-	13,172	880	11,816	-	-	-	-	658,431	2,706,151
Benefits	103,969	16,425	12,028	2,750	2,180	3,809	6,431	-	4,219	125	2,209	(4,462)	-	-	-	149,683	615,198
	433,156	213,472	58,905	18,590	6,843	21,165	28,024	-	17,391	1,005	14,025	(4,462)	-	-	-	808,114	3,321,349

10. Capital expenditure

	2024															Total	KHR'000 (Note 4)
	SIDA/EU	EU	USAID	Oxfam Fair Trade	TIS-IPP	TIS-SANCUS	TIS-WFS	TIS-YWPA	USAID-2EP-HRD	USAID-YPE	IFES	TIC	EU-BELIEVE	EU-RBC	Tetra Tech		
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$		
Depreciation	9,481	8,129	3,411	-	-	-	-	-	-	-	-	1,949	-	-	-	22,970	93,511
Minor equipment	6,887	-	366	-	-	-	-	-	14,848	10,436	178	-	804	-	-	33,519	136,456
	16,368	8,129	3,777	-	-	-	-	-	14,848	10,436	178	1,949	804	-	-	56,489	229,967

	2023															Total	KHR'000 (Note 4)
	SIDA/EU	EU	USAID	Oxfam Fair Trade	TIS-IPP	TIS-SANCUS	TIS-WFS	TIS-YWPA	USAID-2EP-HRD	USAID-YPE	IFES	TIC	EU-BELIEVE	EU-RBC	Tetra Tech		
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$		
Depreciation	12,439	8,495	3,417	-	-	-	-	-	-	-	-	1,949	-	-	-	26,300	108,093
Minor equipment	4,629	1,523	124	-	-	-	-	-	-	-	-	2,069	-	-	-	8,345	34,298
	17,068	10,018	3,541	-	-	-	-	-	-	-	-	4,018	-	-	-	34,645	142,391

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Notes to the financial statements (continued) as at and for the year ended 31 December 2024

11. Office running costs

	2024																
	SIDA/EU	EU	USAID	Oxfam Fair Trade	TIS-IPP	TIS- SANCUS	TIS-WFS	TIS-YWPA	USAID- YPE	USAID- 2EP-HRD	IFES	EU- BELIEVE	EU-RBC	Tetra Tech	TIC	Total	
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	KHR'000 (Note 4)
Office rental	12,050	-	6,000	1,500	-	-	-	-	5,700	6,000	1,500	-	-	-	2,050	34,800	141,671
Utilities	2,893	-	1,680	383	-	-	-	-	1,829	1,680	420	-	-	-	171	9,056	36,867
Stationeries and supplies	3,518	-	540	184	-	-	-	-	1,397	1,231	543	361	-	-	-	7,774	31,648
Other running costs	31,556	3,986	2,693	68	31	-	999	-	970	927	187	46	27	89	2,352	43,931	178,843
	50,017	3,986	10,913	2,135	31	-	999	-	9,896	9,838	2,650	407	27	89	4,573	95,561	389,029
	2023																
	SIDA/EU	EU	USAID	Oxfam Fair Trade	TIS-IPP	TIS-SANCUS	TIS-WFS	TIS-YWPA	USAID- YPE	USAID- 2EP-HRD	IFES	EU- BELIEVE	EU-RBC	Tetra Tech	TIC	Total	
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	KHR'000 (Note 4)
Office rental	20,025	6,875	6,000	400	-	-	-	-	-	-	1,500	-	-	-	-	34,800	143,028
Utilities	4,985	2,126	1,976	340	-	-	-	-	-	-	494	-	-	-	-	9,921	40,775
Stationeries and supplies	8,080	1,829	376	206	-	-	-	-	2	2	106	-	-	-	200	10,801	44,392
Other running costs	23,554	21,028	3,470	387	202	60	69	44	38	147	212	-	-	-	9,864	59,075	242,799
	56,644	31,858	11,822	1,333	202	60	69	44	40	149	2,312	-	-	-	10,064	114,597	470,994

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Notes to the financial statements (continued) as at and for the year ended 31 December 2024

12. Communication

		2024														
		SIDA/EU	EU	USAID	Oxfam Fair Trade	TIS- IPP	TIS- SANCUS	IFES	USAID- YPE	USAID- 2EP- HRD	TIC	EU- BELIEVE	EU-BRC	Tetra Tech	Total	
		US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	KHR'000 (Note 4)
Telephone and internet		<u>9,795</u>	<u>-</u>	<u>2,307</u>	<u>38</u>	<u>45</u>	<u>-</u>	<u>524</u>	<u>2,070</u>	<u>1,407</u>	<u>-</u>	<u>54</u>	<u>135</u>	<u>-</u>	<u>16,375</u>	<u>66,663</u>
		2023														
		SIDA/EU	EU	USAID	Oxfam Fair Trade	TIS- IPP	TIS- SANCUS	IFES	USAID- YPE	USAID- 2EP- HRD	TIC	EU- BELIEVE	EU-BRC	Tetra Tech	Total	
		US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	KHR'000 (Note 4)
Telephone and internet		<u>8,746</u>	<u>4,371</u>	<u>2,828</u>	<u>366</u>	<u>201</u>	<u>264</u>	<u>694</u>	<u>21</u>	<u>20</u>	<u>1,480</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,991</u>	<u>78,053</u>

This represents the expense for telephone and internet expense incurred in the office. It is not for the programme communication expense.

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Notes to the financial statements (continued) as at and for the year ended 31 December 2024

13. Capacity development

		2024										
		SIDA/EU	EU	USAID	Oxfam Fair Trade	USAID- YPE	TIS-IPP	TIS- SANCUS	IFES	TIC	USAID- 2EPHRD	Total
		US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$
		KHR'000 (Note 4)										
Internal training		3,083	-	-	-	-	-	-	-	-	-	3,083
External training		19,555	-	-	-	70	-	-	-	7,545	2,598	29,768
		22,638	-	-	-	70	-	-	-	7,545	2,598	32,851
												133,736
		2023										
		SIDA/EU	EU	USAID	Oxfam Fair Trade	USAID- YPE	TIS-IPP	TIS- SANCUS	IFES	TIC	USAID- 2EPHRD	Total
		US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$
		KHR'000 (Note 4)										
Internal training		12,449	-	-	-	-	-	-	-	-	-	12,449
External training		5,366	1,752	-	-	-	-	-	-	117	-	7,235
		17,815	1,752	-	-	-	-	-	-	117	-	19,684
												80,901

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Notes to the financial statements (continued) as at and for the year ended 31 December 2024

14. Professional fee

		2024									
		SIDA/EU	EU	USAID	Oxfam Fair Trade	TIS-IPP	IFES	TIC	USAID- 2EPHRD	Total	
		US\$	US\$	US\$	US\$	US\$	US\$	US\$		US\$	KHR'000 (Note 4)
Professional services		<u>4,108</u>	<u>-</u>	<u>2,981</u>	<u>-</u>	<u>500</u>	<u>669</u>	<u>12,500</u>	<u>3,500</u>	<u>24,258</u>	<u>98,754</u>
		2023									
		SIDA/EU	EU	USAID	Oxfam Fair Trade	TIS-IPP	IFES	TIC	USAID- 2EPHRD	Total	
		US\$	US\$	US\$	US\$	US\$	US\$	US\$		US\$	KHR'000 (Note 4)
Professional services		<u>8,853</u>	<u>15,000</u>	<u>6,197</u>	<u>-</u>	<u>3,500</u>	<u>1,000</u>	<u>-</u>	<u>-</u>	<u>34,550</u>	<u>142,001</u>

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Notes to the financial statements (continued) as at and for the year ended 31 December 2024

15. Indirect costs

2024											
	SIDA/EU	EU	USAID	Oxfam Fair Trade	TI-A	TIS-WFS	SANCUS	IFES	TIC	Total	
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	
										KHR'000 (Note 4)	
Indirect costs	-	-	-	-	-	-	-	-	3,129	3,129	12,738
2023											
	SIDA/EU	EU	USAID	Oxfam Fair Trade	TI-A	TIS-WFS	SANCUS	IFES	TIC	Total	
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	
										KHR'000 (Note 4)	
Indirect costs	-	-	-	-	-	-	-	-	4,129	4,129	16,970

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Notes to the financial statements (continued) as at and for the year ended 31 December 2024

16. Cash and cash equivalents

	31 December 2024		31 December 2023	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Cash on hand	356	1,433	1,186	4,845
Cash at banks	526,211	2,117,999	390,615	1,595,662
	526,567	2,119,432	391,801	1,600,507

The cash at banks pertain to current accounts and saving accounts placed with local banks which earned interest rate ranging from 0.15% to 0.55% (2023: 0.15% to 0.55%) per annum for the saving accounts.

Included in cash at banks is a designed account for pension fund of US\$ 5,199 (31 December 2023: US\$106,596) kept at JTrust Royal Bank Plc. As at 31 December 2024, there were the remaining pension fund amounting to US\$85,344 (31 December 2023: US\$44,530) kept under other bank accounts of SIDA fund, EU fund, USAID and TIC reserve fund. At the date of these financial statements, these remaining pension fund has not transferred to the designed account yet.

17. Deposits and prepayments

	31 December 2024		31 December 2023	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Deposits	470	1,892	280	1,144
Prepaid insurance	160	644	1,342	5,482
Others	-	-	10	41
	630	2,536	1,632	6,667

18. Accrued income – donors

	31 December 2024		31 December 2023	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
The European Union	-	-	133,124	543,812
SIDA	-	-	-	-
TIS – IPP Project	-	-	4,287	17,512
The International Foundation for Electoral Systems	14,721	59,252	10,102	41,267
TIS– SANCUS	8,411	33,854	20,864	85,229
USAID-YPE Project	-	-	21,844	89,233
	23,132	93,106	190,221	777,053

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Notes to the financial statements (continued) as at and for the year ended 31 December 2024

19. Advance to project partners

This represents the outstanding advances provided to partners for the project implementation.

	31 December 2024		31 December 2023	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Advocacy and Policy Institution	1,339	5,389	5,248	21,438
Politikofee	2,479	9,978	2,888	11,797
CamboJA	4,996	20,109	5,527	22,578
Cambodia Institute for Democracy	10,176	40,958	15,028	61,389
Equitable Cambodia (EC)	12,518	50,385	11,877	48,518
Sahmakum Teang Tnaut	5,781	23,269	9,604	39,232
Highlander Association-Ratanakiri	1,206	4,854	5,268	21,520
Ponlok Khmer	2,409	9,696	4,364	17,827
Cambodia Youth Network Association	492	1,980	855	3,493
Alliance for Conflict Transformation	287	1,155	-	-
Banteay Srei	3,199	12,876	-	-
Khmer Youth Association	1,706	6,867	-	-
Youth Council of Cambodia	(136)	(547)	-	-
	46,452	186,969	60,659	247,792

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Notes to the financial statements (continued) as at and for the year ended 31 December 2024

20. Property and equipment

2024	Land and land improvement US\$	Office and IT equipment US\$	Furniture and fixtures US\$	Vehicles US\$	Construction in progress US\$	US\$	Total KHR'000 (Note 4)
Cost							
At 1 January 2024	143,727	66,559	12,490	85,302	16,969	325,047	1,327,817
Transfer	16,969	-	-	-	(16,969)	-	-
Write off	-	(9,603)	-	-	-	(9,603)	(39,094)
Currency translation difference	-	-	-	-	-	-	(19,061)
At 31 December 2024	160,696	56,956	12,490	85,302	-	315,444	1,269,662
Accumulated depreciation							
At 1 January 2024	-	51,229	10,365	37,874	-	99,468	406,327
Depreciation for the year	-	9,587	1,518	11,865	-	22,970	93,511
Write off	-	(9,603)	-	-	-	(9,603)	(39,094)
Currency translation difference	-	-	-	-	-	-	(6,583)
At 31 December 2024	-	51,213	11,883	49,739	-	112,835	454,161
Carrying amounts							
At 31 December 2024	160,696	5,743	607	35,563	-	202,609	815,501

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Notes to the financial statements (continued) as at and for the year ended 31 December 2024

20. Property and equipment (continued)

2023	Land and land improvement US\$	Office and IT equipment US\$	Furniture and fixtures US\$	Vehicles US\$	Construction in progress US\$	US\$	Total KHR'000 (Note 4)
Cost							
At 1 January 2023	127,425	55,757	12,490	85,302	-	280,974	1,156,770
Additions	16,302	10,802	-	-	16,969	44,073	181,140
Currency translation difference	-	-	-	-	-	-	(10,093)
At 31 December 2023	143,727	66,559	12,490	85,302	16,969	325,047	1,327,817
Accumulated depreciation							
At 1 January 2023	-	39,298	7,867	26,003	-	73,168	301,233
Depreciation for the year	-	11,931	2,498	11,871	-	26,300	108,093
Currency translation difference	-	-	-	-	-	-	(2,999)
At 31 December 2023	-	51,229	10,365	37,874	-	99,468	406,327
Carrying amounts							
At 31 December 2023	143,727	15,330	2,125	47,428	16,969	225,579	921,490

On 30 September 2020, the Organisation purchased a piece of land located at Putsiang commune in Khan Prek Phnov, Phnom Penh using TI Cambodia's own reserve which mainly generated from the indirect charge to donor based on percentage of total expenses approved by donor. The purpose of this land is to support its long-term sustainability efforts to have its own building for implementing programme activities and hosting events including meetings, workshops, forums, youth camp and youth gatherings. The land ownership was registered in soft title deed and hold in trust under the name of the three representatives of TI Cambodia. In early 2023, TI Cambodia has processed for land hard title; however, the application for hard title has not been completely finalised due to the fact that the government has re-evaluated the tax rate for land, and the result has not been released yet for the General Department of Taxation to apply in determining the stamp tax for hard title deed.

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Notes to the financial statements (continued) as at and for the year ended 31 December 2024

21. Deferred income – donors

	31 December 2024		31 December 2023	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
EU	-	-	-	-
SIDA and EU co-fund (*)	-	-	61,027	249,295
U.S Agency for International Development (USAID)	25,188	101,382	16,910	69,077
Oxfam Fair Trade	26,280	105,777	13,120	53,595
USAID-2EPHRD	30,905	124,393	133,582	545,683
TIS-Climate	32,237	129,754	3,547	14,490
TIS-YWPA	-	-	17,664	72,157
USAID_YPE	73,310	295,073	-	-
AAC-EU 2023-2026	57,817	232,713	-	-
CLC-EU 2024-2025	30,540	122,923	-	-
TETRA TECH	40,276	162,111	-	-
	316,553	1,274,126	245,850	1,004,297

(*) This represents co-funding from SIDA and EU for the project Collective Actions Against Corruption 2023-2025.

The reconciliation of movement of deferred income was as follows:

	2024		2023	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
At 1 January	245,850	1,004,297	595,797	2,452,896
Receipt during the year	2,432,265	9,901,751	1,555,110	6,391,502
Transfer to income	(2,361,562)	(9,469,864)	(1,905,057)	(7,639,279)
Currency translation difference	-	(162,058)	-	(200,822)
At 31 December	316,553	1,274,126	245,850	1,004,297

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Notes to the financial statements (continued) as at and for the year ended 31 December 2024

21. Deferred income – donors (continued)

The detail of receipt during the year were as follows:

	2024		2023	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
European Union	59,716	243,104	133,122	547,131
SIDA&EU	505,987	2,059,873	728,836	2,995,516
USAID	344,923	1,404,182	296,977	1,220,575
USAID-2EP-HRD	780,736	3,178,376	182,373	749,553
IFES	41,663	169,610	38,798	159,460
Oxfam - Fair Trade	24,328	99,039	42,202	173,450
TIS-SANCUS	-	-	30,303	124,545
TIS-Climate	113,811	463,325	46,297	190,281
TIS-YWPA	2,035	8,284	51,914	213,367
TIS-TI IPP	8,648	35,210	4,288	17,624
USAID_YPE	345,166	1,405,171	-	-
AAC	75,115	305,793	-	-
CLC	45,131	183,728	-	-
TETRA TECH	85,006	346,056	-	-
	<u>2,432,265</u>	<u>9,901,751</u>	<u>1,555,110</u>	<u>6,391,502</u>

22. Payable to project partners

	31 December 2024		31 December 2023	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
ActionAid Cambodia	-	-	64,125	261,951
Alliance for Conflict Transformation	-	-	6,359	25,977
Banteay Srei	-	-	4,067	16,614
Youth Council of Cambodia	-	-	6,259	25,567
Khmer Youth Association	-	-	2,959	12,087
	<u>-</u>	<u>-</u>	<u>83,769</u>	<u>342,196</u>

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Notes to the financial statements (continued) as at and for the year ended 31 December 2024

23. Other payables

	31 December 2024		31 December 2023	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Accrual bonus	24,961	100,468	29,379	120,013
Professional fee	10,150	40,854	27,775	113,461
Withholding tax payable	14,344	57,735	16,322	66,675
Unused annual leave	-	-	13,364	54,592
Others	24,000	96,598	12,945	52,881
	73,455	295,655	99,785	407,622

24. Pension fund liabilities

Pension fund pertains to the balance of pension fund contributed by TI Cambodia at 10% and by employee at 10% of their monthly salary as well as the National Social and Security Fund (NSSF) contributed by both TIC and employee.

Movements of the pension fund was as follows:

	2024		2023	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
At 1 January	151,539	619,037	156,197	643,063
Contribution during the year	101,927	414,945	95,192	391,239
NSSF paid	(2,329)	(9,481)	-	-
Settlements	(165,793)	(674,943)	(99,850)	(410,384)
Currency translation difference	-	(6,048)	-	(4,881)
At 31 December	85,344	343,510	151,539	619,037

25. Related party transactions

	2024		2023	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Compensation for key management	118,526	482,519	112,906	464,044
Board meeting honorarium (communication/transportation)	719	2,927	400	1,644

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Notes to the financial statements (continued) as at and for the year ended 31 December 2024

26. Commitments and contingencies

(i) Lease commitment

TI Cambodia has commitments under non-cancellable operating lease for office building. The total future minimum operating lease payments are as follow:

	31 December 2024		31 December 2023	
	US\$	KHR'000 (Note 4)	US\$	KHR'000 (Note 4)
Not later than one year	30,000	122,130	25,000	102,125
Later than one year but less than five years	-	-	-	-
	<u>30,000</u>	<u>122,130</u>	<u>25,000</u>	<u>102,125</u>

(ii) Tax contingencies

The Organisation assesses its tax obligations based on applicable tax laws and regulations as of the reporting date. Given the evolving nature of tax legislation, certain tax treatments may necessitate judgment and interpretation. Management exercises judgment in establishing the Organisation's tax positions and continually monitors regulatory developments. While the Organisation strives to comply with current tax requirements, interpretations of tax regulations may vary. Any adjustments resulting from regulatory reviews, once conducted and finalised, will be reflected into the financial statements as appropriate.