

REGISTRATION NO.: PPM-007-10-28081999

THE MALAYSIAN SOCIETY FOR TRANSPARENCY AND INTEGRITY

REPORTS AND FINANCIAL  
STATEMENTS: 31 DECEMBER 2024

*MR* | MUSTAPHA  
RAJ | CHARTERED  
ACCOUNTANTS  
(201806000705 (LLP0015086-LCA) & AF 001361)

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**THE MALAYSIAN SOCIETY FOR TRANSPARENCY AND INTEGRITY****REPORT OF THE EXECUTIVE COMMITTEE**

We, the Executive Committee, responsible for the financial statements of **THE MALAYSIAN SOCIETY FOR TRANSPARENCY AND INTEGRITY**, Registration No: PPM-007-10-28081999, hereby state that to the best of our knowledge and belief: -

- a) The accounting records produced together with the vouchers, information and explanations given to the auditors, **MUSTAPHARAJ PLT** constitute a true record of all transactions, assets and liabilities of the **SOCIETY** for the financial year ended 31 December 2024 and;
- b) The Statement of Financial Position, Statement of Comprehensive Income, Statement of General Funds, and Statement of Cash Flows together with the Notes to the Financial Statements are properly drawn up in accordance with the approved accounting standards by the Committee and show a true and fair view of the state of affairs of the **SOCIETY** as at 31 December 2024 and of the results of the operations for the financial year ended on that date.

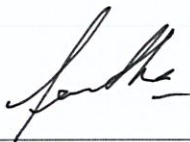
Signed on behalf of the Executive Committee



**DR. MUHAMMAD MOHAN KITTU BIN ABDULLAH**  
President



**RAYMON RAM**  
Secretary General



**DR. GEETHA A. RUBASUNDRAM**  
Treasurer

Dated: 27/01/2025

**THE MALAYSIAN SOCIETY FOR TRANSPARENCY AND INTEGRITY**

**INDEPENDENT AUDITORS' REPORT**

We have audited the financial statements of the **THE MALAYSIAN SOCIETY FOR TRANSPARENCY AND INTEGRITY**. The preparation of the financial statements is the responsibility of the Executive Committee. Our responsibility is to express an opinion on the financial statements based on our audit.

We conducted our audit in accordance with the approved Standards of Auditing in Malaysia. These standards require that we plan and perform the audit to obtain all the information and explanations which we consider necessary to provide us with evidence to give reasonable assurance that the financial statements are free of material misstatement. The audit also includes an assessment of the accounting principles used and significant estimates made by the management as well as evaluating the overall adequacy of the presentation of information in the financial statements.

We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

In our opinion, the Statement of Financial Position, Statement of Comprehensive Income, Statement of General Funds, and Statement of Cash Flows together with the Notes, have been properly prepared in accordance with the approved accounting standards by the Committee and show a true and fair view of the state of affairs of the **SOCIETY** at 31 December 2024 and of the results of the operations for the financial year ended on that date.



**MUSTAPHARAJ PLT**  
(Firm No: AF 001361)  
Chartered Accountants  
(Malaysia)



**RALPH RAVIN RATNASWAMY**  
Approval No:  
Bil.3214/10/25 (J)

Dated: **27 JAN 2025**

**THE MALAYSIAN SOCIETY FOR TRANSPARENCY AND INTEGRITY**  
**STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024**

	Note	2024 RM	2023 RM
<b>NON CURRENT ASSETS</b>			
Plant and Equipment	5	<u>10,941</u>	<u>13,676</u>
<b>CURRENT ASSETS</b>			
Trade and Other Receivables	6	7,946	6,350
Cash and Cash Equivalents	7	535,625	673,677
		<u>543,571</u>	<u>680,027</u>
<b>TOTAL ASSETS</b>		<u><u>554,512</u></u>	<u><u>693,703</u></u>
<b>EQUITY</b>			
General Funds		<u>519,934</u>	<u>322,959</u>
<b>CURRENT LIABILITIES</b>			
Grant Funding	8	18,508	360,559
Payables and Accruals	9	16,070	10,185
		<u>34,578</u>	<u>370,744</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>554,512</u></u>	<u><u>693,703</u></u>

The notes form an integral part of and should be read in conjunction with these financial statements.

**THE MALAYSIAN SOCIETY FOR TRANSPARENCY AND INTEGRITY**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
<b>INCOME</b>		
Donations	12,568	14,702
Grant Income	1,693,663	456,266
Membership Fee	78,100	68,000
Training Income	9,300	6,800
	<u>1,793,631</u>	<u>545,768</u>
<b>OTHER INCOME</b>		
Interest Income	5,925	2,855
Others	5,000	40
	<u>10,925</u>	<u>2,895</u>
<b>TOTAL INCOME</b>	1,804,556	548,663
<b>LESS: ADMINISTRATIVE EXPENSES (SCHEDULE I &amp; II)</b>	<u>(1,607,581)</u>	<u>(574,544)</u>
<b>TOTAL SURPLUS / (DEFICIT) BEFORE TAXATION</b>	196,975	(25,881)
<b>TAXATION</b>	<u>-</u>	<u>-</u>
<b>TOTAL SURPLUS / (DEFICIT) OF INCOME OVER EXPENDITURE FOR THE FINANCIAL YEAR AFTER TAXATION</b>	<u>196,975</u>	<u>(25,881)</u>

The notes form an integral part of and should be read in conjunction with these financial statements.

**THE MALAYSIAN SOCIETY FOR TRANSPARENCY AND INTEGRITY****STATEMENT OF GENERAL FUNDS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

	<b>ACCUMULATED FUNDS RM</b>
<b>2024</b>	
At 01 January 2024	322,959
Total Surplus for the Financial Year After Taxation	196,975
At 31 December 2024	<u>519,934</u>
<b>2023</b>	
At 01 January 2023	348,840
Total Deficit for the Financial Year After Taxation	(25,881)
At 31 December 2023	<u>322,959</u>

The notes form an integral part of and should be read in conjunction with these financial statements.

**THE MALAYSIAN SOCIETY FOR TRANSPARENCY AND INTEGRITY**

**STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

	2024 RM	2023 RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Total Surplus / (Deficit) for the Financial Year Before Taxation</b>	196,975	(25,881)
<b>Adjustments for:</b>		
Depreciation of Plant and Equipment	8,487	9,057
Loss on Disposal of Property, Plant and Equipment	765	-
	<u>206,227</u>	<u>(16,824)</u>
<b>Operating Surplus / (Deficit) Before Working Capital Changes</b>	206,227	(16,824)
<b>Change in Working Capital:</b>		
Trade and Other Receivables	(1,596)	-
Membership Received in Advance	2,400	(900)
Grant Funding	(342,051)	(2,046)
Payables and Accruals	3,485	1,385
	<u>(131,535)</u>	<u>(18,385)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Plant and Equipment	<u>(6,517)</u>	<u>-</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	(138,052)	(18,385)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR</b>	<u>673,677</u>	<u>692,062</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR (NOTE 7)</b>	<u><u>535,625</u></u>	<u><u>673,677</u></u>

The notes form an integral part of and should be read in conjunction with these financial statements.



**THE MALAYSIAN SOCIETY FOR TRANSPARENCY AND INTEGRITY****NOTES TO THE FINANCIAL STATEMENTS: 31 DECEMBER 2024****1. GENERAL INFORMATION**

The principal activity of the Society is to promote transparency and integrity.

The Society is an entity registered with the Registrar of Societies.

The address of the registered office and principal place of business of the Society is as follows:

319, Block A,  
Kelana Centre Point,  
Jalan SS7/19, Kelana Jaya,  
47301 Petaling Jaya,  
Selangor.

The financial statements of the Company are presented in Ringgit Malaysia (RM).

**2. BASIS OF PREPARATION**

The financial statements of the Society have been properly prepared on a going concern basis under the historical cost convention and comply with the provisions of the Societies Act 1966, and in accordance with Malaysian Private Entities Reporting Standard (“MPERS”) issued by the Malaysian Accounting Standards Board (“MASB”).

**3. SIGNIFICANT ACCOUNTING POLICIES****3.1 Property, Plant and Equipment and Depreciation**

Property, Plant and Equipment are stated at cost less accumulated depreciation. Provision for depreciation is calculated on the straight-line basis so as to write off the cost of the assets over their anticipated useful lives. The principal annual rates of depreciation used are as follows:

Description	%
Furniture and Fittings	10
Office Equipment	10
Computer Equipment	25

### **3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

#### **3.2. Trade and Other Receivables**

Trade and other receivables are carried out at the invoiced amount less an allowance for doubtful debts. Known bad debts are written-off and specific allowance is made for any debts considered to be doubtful in collection.

#### **3.3 Projects / Programmes funding**

The Society carries out projects or programmes and recognizes the funding or contributions from donors for these projects or programmes as payables and the corresponding expenditures for the projects or programmes as receivables. In the event there is a surplus / deficit from the funding, it will be recognised as income /expense.

#### **3.4 Liabilities and Provisions**

Payables and accruals are stated at cost.

Provisions for liabilities are recognized when the Society has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Where the time value of money is material, the amount of the provision is the present value of the expenditure expected to be required to settle the obligation.

#### **3.5 Financial Instruments**

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

##### **(a) Initial recognition and measurement**

On initial recognition, a financial asset or a financial liability is measured at the transaction price, including transaction costs. For a financial asset or a financial liability that is subsequently measured at fair value through income statement, transaction costs are expensed to income statement when incurred.

A financial asset or a financial liability (including derivative instruments) is recognised only when the entity becomes a party to the contractual provisions of the instrument.

An arrangement constitutes a financing transaction, if payment is deferred beyond normal business terms. Under a financing transaction, a financial asset or a financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument as determined at initial recognition.

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 3.5 Financial Instruments (cont'd)

##### (b) Subsequent measurement

Derivative financial instruments (other than derivatives designated as a hedging instrument) are measured at fair values and changes in fair values are recognised in income statement.

Debt instruments are measured at amortised cost using the effective interest method. Debt instruments that are classified as current assets or current liabilities are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, unless the arrangement constitutes, in effect, a financing transaction.

Investments in non-convertible preference shares and non-puttable ordinary or preference shares, that are publicly traded or their fair values can otherwise be measured reliably without undue cost or effort, are measured at fair values with changes in fair values recognised in income statement. All other such investments are measured at cost less impairment.

All financial assets are subject to review for impairment, except for financial assets measured at fair values through income statement.

##### (c) Impairment

At the end of each reporting period, financial assets that are measured at cost or amortised cost are assessed as to whether there is objective evidence of impairment. If there is objective evidence of impairment, an impairment loss is recognised in income statement immediately.

For a financial asset measured at amortised cost, the impairment loss is the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If such a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For a financial asset measured at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

If, in a subsequent period, the amount of an impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed in income statement.

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 3.5 Financial Instruments (cont'd)

##### (d) Derecognition

A financial asset is derecognised only when (i) the contractual rights to receive the cash flows from the financial asset expire or are settled; or (ii) the entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, including circumstances when the entity acts only as a collecting agent of the transferee, and retains no significant risks and rewards of ownership of the financial asset or no continuing involvement in the control of the financial asset transferred.

A financial liability is derecognised only when it is extinguished, i.e. when the obligation specified in the contract is discharged, is cancelled or expires. A substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

#### 3.6 Cash and Cash Equivalents

Cash and cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### 3.7 Taxation

Current tax liability is recognised for tax payable on taxable profit for the current and past periods. If the amount paid for the current and past periods exceeds the amount payable for those periods, the excess is recognised as a current tax asset. Current tax liability or asset is measured at the amount it expects to pay or recover using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from: (i) the initial recognition of goodwill; or (ii) the initial recognition of an asset or a liability in a transaction that is not a business combination, and at the time of the transaction, affects neither accounting profit nor taxable profit or tax loss.

Deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised, unless the deferred tax asset arises from the initial recognition of an asset or a liability in a transaction that is not a business combination, and at the time of the transaction, affects neither accounting profit nor taxable profit or tax loss.

A deferred tax liability or asset is measured using the tax rates and tax laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax liabilities and deferred tax assets reflects the tax consequences that would follow from the manner in which, at the reporting date, the carrying amount of the related assets and liabilities is expected to be recovered or settled.

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 3.7 Taxation (cont'd)

Deferred tax asset is recognised for all deductible temporary differences arising from investments in subsidiaries, branches and associates and interests in joint ventures, only to the extent that it is probable that: (a) the temporary difference will reverse in the foreseeable future; and (b) taxable profit will be available against which the temporary difference can be utilised.

Deferred tax liability is recognised for all taxable temporary differences associated with investments in subsidiaries, branches and associates, and interests in joint ventures, except to the extent that (a) the parent, investor or venturer is able to control the timing of the reversal of the temporary difference; and (b) it is probable that the temporary difference will not reverse in the foreseeable future. Current or deferred tax assets and liabilities are not discounted.

#### 3.8 Income Recognition

Income is recognised when it is probable that the economic benefits will flow to the Society and when the income can be measured reliably on the following basis:

- (i) Members' contributions are recognised on an accruals basis.
- (ii) Grants are recognised where there is reasonable assurance that the Society will comply with the conditions attaching to them and the grants will be received. Grants are recognised as income on a systematic basis over the periods necessary to match them with the related costs which they are intended to compensate.
- (iii) Donation income is recognised on a receipt basis.
- (iv) Surplus / (Deficit) from projects / programmes funds undertaken are recognised upon proper completion of the projects / programmed.
- (v) Service income from workshop and proposals are recognised upon services rendered.
- (vi) Interest income is recognised on a time proportion basis.

#### 3.9 Employee Benefits

##### *Short Term Employee Benefits*

Wages, salaries, social security contributions, bonuses and non-monetary benefits are accrued in the financial year in which the associated services are rendered by the employees of the Society.

##### *Defined Contribution Plans*

The Society contributes to the Employees Provident Fund (EPF), the national defined contribution plan. The contributions are charged to the income statement in the period to which they relate. Once the contributions have been paid, the Society has no further payment obligations.

#### 4. JUDGEMENTS AND ESTIMATION UNCERTAINTY

The management has made judgements in the process of applying the accounting policies. However, there is no significant effect on the amounts recognised in the financial statements during the year.

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

##### *Measurement of provision*

Management evaluates the estimates based on the historical experience and other inputs or assumptions, current developments and future events that are reasonably possible under particular circumstances. A probability-weighted estimate of the outflows required to settle the obligation is used. The actual outcome may differ from the estimates made and this may have a significant effect on the Society's financial position and financial performance.

#### 5. PLANT AND EQUIPMENT

	<b>Office Equipment RM</b>	<b>Computer Equipment RM</b>	<b>Furniture and Fittings RM</b>	<b>Total RM</b>
<b>COSTS</b>				
At 01 January 2024	17,148	38,703	9,297	65,148
Additions	-	3,517	3,000	6,517
Disposals	(947)	(6,156)	-	(7,103)
At 31 December 2024	16,201	36,064	12,297	64,562
<b>LESS: ACCUMULATED DEPRECIATION</b>				
At 01 January 2024	17,148	25,027	9,297	51,472
Charge for the Financial Year	-	8,312	175	8,487
Disposals	(947)	(5,391)	-	(6,338)
At 31 December 2024	16,201	27,948	9,472	53,621
<b>NET BOOK VALUES</b>				
31 December 2024	-	8,116	2,825	10,941
31 December 2023	-	13,676	-	13,676
<b>Depreciation Charge for The Financial Year Ended</b>				
31 December 2023	141	8,916	-	9,057

**6. TRADE AND OTHER RECEIVABLES**

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Deposits	6,650	6,350
Prepayments	1,296	-
	<u>7,946</u>	<u>6,350</u>

**7. CASH AND CASH EQUIVALENTS**

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Cash in Bank	384,581	520,085
Fixed Deposit	151,044	153,592
	<u>535,625</u>	<u>673,677</u>

**8. GRANT FUNDING**

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
<b><u>Trade</u></b>		
UNODC Receipt	-	165,736
UNODC Expense	-	(135,111)
GIACC Receipt	-	192,600
GIACC Expense	-	(197,854)
MARI USAID Receipt	-	558,651
MARI USAID Expense	-	(377,772)
Collective Action Receipt	-	171,400
Collective Action Expense	-	(77,025)
IRI Receipt	-	183,493
IRI Expense	-	(123,559)
Waverly Receipt	125,760	-
Waverly Expense	(107,252)	-
	<u>18,508</u>	<u>360,559</u>

**9. OTHER PAYABLES AND ACCRUALS**

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
<b><u>Non-Trade</u></b>		
Membership received in Advance	3,700	1,300
Other Payables	1,440	-
Accruals	10,930	8,885
	<u>16,070</u>	<u>10,185</u>

**10. TAXATION**

A reconciliation of the income tax expense on the surplus / (deficit) for the financial year before taxation with the applicable statutory income tax rate is as follows:

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
<b>Surplus / (Deficit) for the Financial Year before Taxation</b>	196,975	(25,881)
Income exempted for tax purposes	(63,646)	2,527
Expenses not deductible for tax purposes	16,668	9,056
Unabsorbed business loss utilised	(143,527)	17,865
Capital allowances utilised	(6,470)	(3,567)
<b>Tax Expense</b>	<u>-</u>	<u>-</u>

**11. FINANCIAL INSTRUMENTS**

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Financial Assets at amortised cost	543,571	680,027
Financial Liabilities at amortised cost	<u>23,648</u>	<u>361,859</u>



## THE MALAYSIAN SOCIETY FOR TRANSPARENCY AND INTEGRITY

SCHEDULE OF ADMINISTRATIVE EXPENSES  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	2024	2023
	RM	RM
Accounting Fees	27,000	27,000
Advertisements	9,377	-
AGM Expenses	5,355	3,750
Audit Fees	6,000	4,000
Bank Charges	137	55
Courier and Postage	2,796	975
Depreciation of Property, Plant and Equipment	8,486	9,057
Entertainment	2,999	1,894
EPF and SOCSO	26,749	19,201
General Expenses	-	110
Insurance	4,792	3,626
Internship Allowances	-	1,456
Legal and Professional Fees	1,250	1,250
Loss on Disposal of Property, Plant and Equipment	765	-
Medical Expenses	896	786
Meeting Expenses	1,125	807
Office Refreshments	2,964	3,408
Office Rental	18,600	18,000
Penalty	-	21
Printing and Stationery	4,740	4,066
Programme Expenses	1,264,520	325,197
Salaries	188,111	132,476
Service Tax	2,417	2,003
Stamp Duty	146	-
Storage Charges	1,560	1,320
<b>Balance c/f</b>	1,580,785	560,458

## THE MALAYSIAN SOCIETY FOR TRANSPARENCY AND INTEGRITY

SCHEDULE OF ADMINISTRATIVE EXPENSES  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

	2024	2023
	RM	RM
<b>Balance b/f</b>	<u>1,580,785</u>	<u>560,458</u>
Subscription Fee	250	-
Telephone and Internet	1,769	1,794
Travel and Accomodation	6,950	3,805
Training Expenses	5,832	1,433
Upkeep of Office	2,600	2,001
Upkeep of Computer	561	882
Utilities	4,715	4,171
Web Hosting & Maintenance	4,119	-
	<u>1,607,581</u>	<u>574,544</u>